

The NATIONAL UNDERWRITER

Life Insurance Edition



SIXTY CLUB?

WHAT'S THAT?

It started quite by accident.

Early in 1945 one Franklinite completed a 60 day drive during which he made at least one sale for each calendar day. As a reward, President Becker presented him with a beautiful gold watch . . . and made the same offer to anyone matching his performance.

Since then the club has snowballed, until today it has 70 members, including five women. One man qualified in eighteen days. Another carried his production streak to 100 consecutive days.

Typical member reaction is that of C. V. Strayhorn of North Carolina who said, "When I first came to the Franklin the very idea of 60 sales in 60 calendar days was appalling . . . something to be done only by supermen. But I soon found myself selling these amazing Franklin contracts at the rate of one a day without the slightest intention of doing it."

Selling made easy—that is the secret of the spectacular growth of the Franklin Life, and of the unusual earnings of Franklin representatives.



The Friendly
FRANKLIN LIFE INSURANCE COMPANY

CHAS. E. BECKER, PRESIDENT

SPRINGFIELD, ILLINOIS

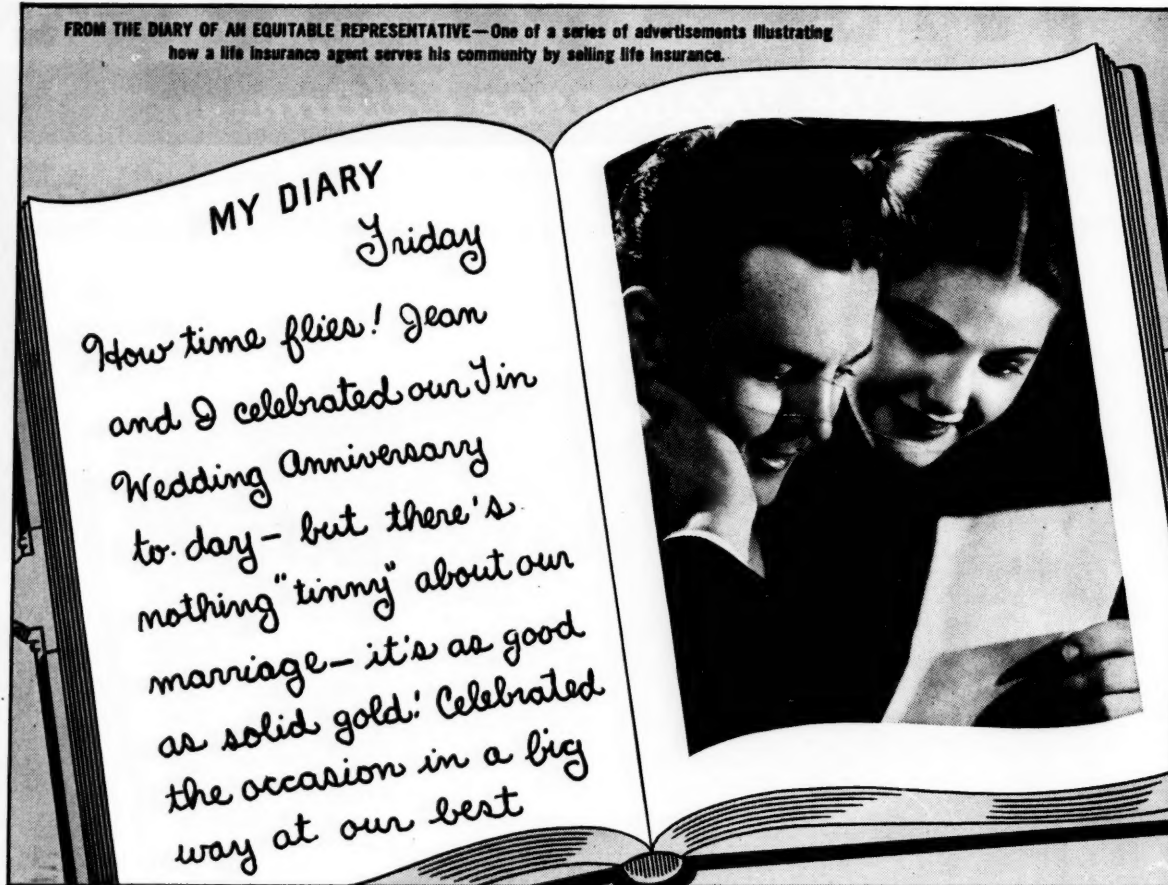
DISTINGUISHED SERVICE SINCE 1884

One of the 15 Oldest Stock Legal Reserve Life Companies in America

Over \$600,000,000 insurance in force

FRIDAY, NOVEMBER 12, 1948

FROM THE DIARY OF AN EQUITABLE REPRESENTATIVE—One of a series of advertisements illustrating how a life insurance agent serves his community by selling life insurance.



Why Ed Scott's secretary fell in love with her boss

JEAN DAVIS had been working for Ed Scott for only a few months when people thought they detected an engagement "ring" in her voice. And they were right - Jean had found her man!

After all, who knows a man better than his secretary? Jean soon realized that her boss was "one in a thousand" ... a man not solely interested in what he could *get* out of life ... but also in what he could *give* to make other lives happier, more secure.

For example, in his home town live more than a score of widows who can thank Ed that they haven't become a burden to their children ... over thirty

youngsters getting their schooling on Equitable Society Educational Policies ... over forty homes protected by Equitable Assured Home Ownership Plans. And that's only the beginning of the count.

Yes, Ed Scott's work as an Equitable Society representative is more than just a "job" - it's a good way of life. All's right with his world because he knows that he is doing his bit to make that world a better place to live in. He takes a deep satisfaction in his work ... in the respect that is his as a member of a highly regarded profession and as a representative of an institution like The Equitable Society.

LISTEN TO "THIS IS YOUR FBI"

... official crime-prevention broadcasts from the files of the Federal Bureau of Investigation ... another public-service contribution sponsored in his community by The Equitable Society Representative.

EVERY FRIDAY NIGHT • ABC Network



**THE EQUITABLE
 LIFE ASSURANCE
 SOCIETY
 OF THE UNITED STATES**

THOMAS I. PARKINSON, President • 393 Seventh Avenue, New York 1, N. Y.

Several State Commissioners Will Be Replaced

Changes Forecast in Ill., Indiana, Ohio, and Tennessee

Although there are to be changes in the gubernatorial office in many states as a result of the Nov. 2 balloting, relatively few immediate changes in the ranks of the insurance commissioners seem to be imminent. In some states, notably Connecticut and Michigan, where a Democrat replaces a Republican as governor, the terms of the insurance commissioners are so staggered that the incumbents—Allyn of Connecticut and Forbes of Michigan—are entitled to remain in office until 1951. This is a rather odd circumstance since Forbes is vice-president of National Assn. of Insurance Commissioners and is in line to be elevated to the presidency next year, and Allyn is chairman of the executive committee and would normally become vice-president in 1949 and president of N.A.I.C. in 1950.

The president of N.A.I.C., J. Edwin Larson of Florida, occupies the elective office of state treasurer and his term runs until 1951 also.

Four Face Quick Replacement

The commissioners who, it appears, will be displaced in short order are W. Lee Shield of Ohio, John D. Pearson of Indiana, Nellis Parkinson of Illinois and J. M. McCormack of Tennessee. In Illinois, Indiana and Ohio a Democratic governor was elected in place of a Republican. In each state there is a former insurance commissioner who served under Democratic regime and, naturally, the possibility is seen that one or more of these men may be brought back into office. In Ohio there is Walter Dressel, who is now associate counsel of Motorists Mutual of Columbus, and who was insurance commissioner under Lausche's former administration. In Indiana there is F. J. Viehmann, who was insurance commissioner when Schriker was previously in office, and in Illinois there is Ernest Palmer, who served under a Democratic governor and who was extremely active in the campaign for Adlai Stevenson, the Democrat, who has now been elected Illinois governor. Something of a boom has already been started, however, for one of the most prominent of Chicago's life insurance general agents, who is a Democrat and has been extremely active in organization and legislative affairs.

In Tennessee J. M. McCormack, who has been a wheel horse in the N.A.I.C. and is a former president, is destined for return to private life since his support went to the gubernatorial candidate who was eliminated in the primaries.

William A. Sullivan of the state of Washington and John J. Holmes of Montana now emerge as the forever and ever twins. Their offices are elective and they started getting elected in 1932 and have now each been elected to a fifth term.

CHANGE FORECAST IN OHIO

COLUMBUS—As a result of the election of Frank J. Lausche as governor, Ohio will have a new superintendent of

(CONTINUED ON PAGE 19)

Commissioners Committee Calls for Cost Data

Life Group Wants Conversion Extension Figures by Dec. 10 Meeting

NEW YORK—Group insurance was given a thorough going over at the two day session of the life insurance committee of the National Assn. of Insurance Commissioners, at the New York insurance department here. Most of the time was devoted to trading views with the industry on the group definition and the standard provisions of the model bill. At the end, the committee set another meeting for Dec. 10 in New York, just before the National Assn. of Insurance Commissioners convention.

At the Dec. 10 meeting the committee also will take up war clauses.

Specific Suggestions Made

The commissioners asked representatives of the industry to submit language which would eliminate the vagueness of the "or otherwise" in subdivision (1) (a) of the definition together with a clarification of "affiliated corporations." They would like to see a revision of subdivision (1) which would limit group to those actively engaged in the business. This follows out a suggestion made by James Rutherford, executive vice-president of the National Assn. of Life Underwriters.

On the controversial subdivision (4), the committee asked for specific language embodying the suggestion by John A. Lloyd, vice-president of Union Central Life, that the subdivision be divided into two parts, one to take care of the labor relations situation and the other to cover small groups. Also, on subdivision (4) (b) the committee wants suggestions on language that would include a plan providing for the union to pay all the premium. This is not now covered. In subdivision (4) (c), the committee asked for language to change "average" of five persons per employer unit to "minimum."

Insist on Cost Figures

Lee Shield of Ohio, vice-chairman of the committee, and its spokesman in the absence of Chairman Robert E. Dineen, superintendent of the New York department, strongly emphasized that the committee wants data on the cost of liberalizing the conversion right, if the master policy is cancelled, to \$3,000 (presently \$2,000) and three years (now five years). The committee has to have it, he said. It wants data also on cost of permitting conversion to term.

The committee also wants whatever data and arguments the industry can furnish as to their objections to notifying employees on termination of employment.

C. F. J. Harrington of Massachusetts suggested that all underwriting restrictions, such as a minimum of 600 persons, a 50% participation, etc., be removed from subdivision (4). Mr. Harrington took a very active part in the discussions.

State Representatives on Hand

Other committee members on hand were Bisson of Rhode Island and Harris of Minnesota. Illinois was represented by J. W. Ross; Maine by G. R. Whitten; New York by Al Bohlinger, and New Jersey by Harold Bittel. Superintendent Dineen of New York, the chairman, was held in Syracuse by the critical illness of his six-year-old son.

One argument for subdivision (4), which permits the joining of several em-

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L. I. A., A. L. C. File Group Cover Report at Hearing in N. Y.

NEW YORK—At the hearing of the life committee of National Assn. of Insurance Commissioners on group insurance, Life Insurance Assn. of America and American Life Convention put in a copy of the report prepared by its group committees, which was submitted by Albert Pike of L.I.A.

Reinhard A. Hohaus, actuary, Metropolitan Life, submitted a memorandum on behalf of 13 companies—Aetna Life, Bankers Life of Iowa, Connecticut General, Equitable Society, General American, John Hancock, Lincoln National, Massachusetts Mutual, Metropolitan, Northwestern National, State Mutual Life, Sun Life of Canada and Travelers.

The views of the National Assn. of Life Underwriters were presented by James E. Rutherford, executive vice-president.

No Agreement on (4)

It was found impossible to submit a report representing a consensus of the entire business on subdivision (4) of the model group definition, according to the A.L.C.-L.I.A. report. Consequently, the divergent views were enumerated, and companies were invited to express individual positions. Some did, including Kansas City Life and Union Central Life. The latter was represented at the hearing by John A. Lloyd, vice-president.

The A.L.C.-L.I.A. report was divided into three parts, suggestions representing the divergence of viewpoints, recommendations of a technical nature on which there was no disagreement, and a third section of comments on certain proposals, particularly conversion privileges, which have been advanced from time to time.

Division of Opinion

Of the 224 companies in the two organizations, one group advocates the complete elimination of subdivision (4) from the model bill, a second advocates the retention but believes present provisions too restrictive, while a third advocates retention of a subdivision subject to additional restrictions.

Those who favor retention of subdivision (4) suggest a change in subsection (a) "that no individual proprietor or partner shall become insured unless he is actively engaged in and devotes a substantial part of his time to the conduct of the business..."

This group also recommends changing subsection (c) of subdivision (4) to provide for an average of not less than five persons per employer unit. Also, if the fund is established by members of an association of employers, the policy may be issued only if either the participating employer constitute at date of issue at least 50% of employer members whose employers constitute at date of issue at group life, or the total number of persons at date of issue are more than 600. Also, the policy shall not require that a participating employer who discontinues membership in the association shall have insurance of his employees cease solely because of this reason.

On technical changes where there was general agreement, those dealing with the \$20,000 limit provide the maximum coverage rule would apply uniformly, regardless of whether an individual's group insurance is split between policies

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LIAMA Parley Draws Largest Attendance Ever

Parkinson Makes Headlines in Addressing Opening Session

Members of L.I.A.M.A. at their opening session at Chicago Wednesday morning heard President Thomas I. Parkinson of Equitable Society announce his intention of introducing a resolution at the next meeting of Life Insurance Assn. of America urging the ending of the government's support of the long term bond market.

The draft of his resolution which Mr. Parkinson read, is as follows:

"The members of the Life Insurance Assn. of America, noting the continued



T. I. Parkinson



Dudley Dowell

inflation of our money supply and the decreasing purchasing value of our dollar, now declare for the guidance of our monetary authorities that the policyholders of our life insurance companies are suffering more detriment as the result of current monetary policies, and particularly the federal reserve system's support of the government bond market, than they would be likely to suffer from any decline in the market price of government bonds if that support were ended. In support of this declaration, attention is called to the fact that while the total life insurance in force in this country has increased from \$117 billion in 1940 to approximately \$200 billion at the present time, the purchasing value of the \$200 billion now in force is approximately \$114 billion.

Ask Monetary Commission

"We also join in the recommendation which now has the support of many individuals and organizations that a monetary commission be created to review the field of currency, credit and related matters in the light of present day problems."

Mr. Parkinson urged his listeners to exert their influence in the cause of the fiscal policies which he recommends. He warned of the danger of further inflation and said that since no help could be expected it was up to the life companies to impress the monetary authorities, who he said are not experts, with the danger of the present course.

Though he spoke for more than an hour Mr. Parkinson held a capacity audience right to the end of his talk and was loudly applauded.

The attendance exceeds 500, a new record. The general sessions got under way Wednesday morning following two days of committee meetings.

Nominated for new directors of

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Await FTC Call of Mail Order Trade Practice Conference

Lines Are Now Clear for Going Ahead With Program

WASHINGTON—Early announcement is expected from the federal trade commission calling a trade practice conference for mail order insurance interests. Such a conference was requested several months ago by Wendell Berge, counsel for Insurance Advertisers Assn.

While no formal meeting has been scheduled between FTC officials and the committee representing National Assn. of Insurance Commissioners, it is understood their representatives have been in consultation with each other, and the lines are described as now clear for going ahead with plans for the trade practice conference.

State commissioners may come in then and either oppose the projected fair trade practice rules, or possibly even question the FTC jurisdiction. However, such prospect does not worry FTC or mail order representatives apparently.

TDB Regulations Issued in N. J.

The disability benefits division of New Jersey unemployment compensation commission has issued regulations on the temporary disability benefits law, covering private plans for insuring such benefits. The law goes into effect Jan. 1, and most of the companies planning to write the business have to secure approval of their insuring plans.

A plan may be submitted to workers for their approval by ballot or otherwise. If there is a bargaining agent, the agent can request a ballot. In the absence of that request the normal enrollment procedure used by group writing companies would be followed. Originally the regulations only provided for ballots. Final regulations provide for either.

If employees wish to terminate a private plan they can do so by ballot if 10% ask for it.

Can't Include Other Benefits

Hospitalization and other types of insurance or benefits over and beyond those contemplated in the TDB act may not be written into a private plan. They must be set up separately. Companies had planned to offer these additional benefits in connection with the TDB plan. This does not preclude an increase in benefits from loss of time from work while in the hospital.

The final regulations permit the exclusion of part time employees and probationary employees if the exclusion of them is not selective against the state.

The regulations provide that the employer may pay benefits at the intervals that the employer customarily pays wages. Earlier, the commission had considered rigid weekly benefit payments.

Securing Commission Consent

Companies must secure the consent of the commission if employee benefits are reduced or contributions increased, even though either goes below or above the state plan level.

Originally the commission was inclined to prohibit any modifications without its prior approval, but this was challenged as an administrative burden by the insurance industry.

Under the non-profit provisions of the

regulations, no employer, union, or association representing employers or any person on behalf of them shall institute or administer provisions of a private plan to derive any profit therefrom.

If an employee has more than one job, one under a state plan, the private plan must assume all liability. If more than one private plan is assuming liability, each pays its own scale of benefits, but if the two combined add up to less than what the state would have paid alone each can take each other's benefits into consideration in raising benefits to the state plan level.

The rules for cancelling the risk are that 15 days' notice must be given the commission on termination for non-payment of premiums. A 60-day notice is required for termination for any other reason.

If employees are required to contribute to the cost of a private plan, the employer must submit to the employees a written brief summary of the plan, including the weekly benefit rate, the maximum amount and duration of benefits, and the amount of employee contribution.

The employer must maintain for a year a record of proof that employees have consented to a private plan.

Course for General Agents

Fourteen general agents and supervisors of New England Mutual will attend a six-day "agency building" course at the home office starting Nov. 15. New methods of selecting, hiring and training new representatives will be stressed.

Those attending will be: James C. Nute and H. J. Lindahl, Manchester; W. Watson House, and R. S. House, Hartford; Philip B. Steele, Springfield; C. Vernon Bowes and G. R. Vibbert, Newark; Isadore Samuels, Denver; Gordon E. Crosby, Jr., Seattle; Hastings A. Smith, Indianapolis; Rodney Bliss, Jr., Des Moines; Albert Whale, San Francisco; James W. Uren, Oakland, and Robert D. Davis, St. Paul.

Washington Again Is Big Insurance Factor

By H. C. HALLAM

WASHINGTON—The political upset in the recent election means important changes in reorganization of the House and Senate of interest to the insurance industry. It also presents the possibility of far-reaching legislation, including federal regulation, national health insurance, radical social security extension, etc. If the Democratic administration and congressional leaders choose to press for action along these lines, there appears to be little in sight to prevent its consummation.

President Truman has repeatedly recommended legislation for compulsory national health insurance and for broadening and liberalizing social security. He has also asked Congress to appropriate a considerable sum for federal trade commission work in the field of insurance.

Judiciary Committee Change

Chief among organizational changes in Congress, perhaps will be replacement next January of Republican chairmen of the Senate and House committees on the judiciary by Democrats. Senator Wiley, Wisconsin, will step down as chairman of the Senate judiciary committee in favor of Senator McCarran, Nevada. Both have been considered friendly to the insurance industry. McCarran, who chaired the judiciary committee during the latter days of the fight over anti-trust law moratorium legislation as successor to the late Senator Van Nuys, Indiana, sponsored the measure which eventually became public law 15.

On the House side, Rep. Michener, Michigan, will be replaced as judiciary committee chairman by Rep. Emanuel Celler, New York, who for some time has been ranking minority member of that body.

Under Senate reorganization the possibility is presented that Senator O'Mahoney, Wyoming Democrat who spearheaded opposition to the original anti-trust moratorium proposal, may re-

turn to the judiciary committee, where he had served as member of a subcommittee on insurance legislation. O'Mahoney went off the judiciary committee when the Republicans organized the Senate nearly two years ago, as result of a general rule limiting minority Senators to two committee assignments. O'Mahoney then got placed on the committee on appropriations and on interior and insular affairs. Under the congressional reorganization law enacted a few years ago Senators may be limited to places on three standing committees. That would leave the way open for O'Mahoney to take on one more.

State Regulation Scrutinized

Analyzing the general situation, however, insurance observers doubt that return of Democratic control over Congress will mean prospect of immediate legislation amending or strengthening PL 15, so far as increased federal regulation of the industry is concerned. It is pointed out that that law was passed by the 79th Congress, which was controlled by a Democratic majority, and to a large extent the same leadership will prevail in the 81st Congress, coming in January.

However, it is expected that Congress will watch with interest the progress of state regulation of insurance. Senator McCarran inaugurated a survey and study on this subject some two years ago, conducted by members of his staff and that of the judiciary committee. It has resulted in obtaining a mass of material about state laws, regulation and administration.

Until opportunity is given to see what the states do since lapse of the moratorium, from an administrative standpoint, how and to what extent they carry out regulation of the industry, it is doubted that there will be much demand for federal regulatory legislation. Such a period of, say a year or two, observers believe, would also afford opportunity to see what the Department of Justice and federal trade commission do about insurance.

FTC Appointments

The department has limited personnel handling matters relating to insurance. The Democrats will continue to control both the department and FTC. On the latter, the impending resignation of Republican member Robert Freer and the expired term of Commissioner Garland Ferguson, Democrat, will call for two appointments by President Truman to FTC. Ferguson is reported wanting reappointment.

Justice and FTC officials, if not the same as they have been, are expected to be like-minded with respect to insurance matters and are expected to continue their present policies toward the industry. FTC is surveying the situation with respect to state activities concerning mail order companies, with a view to a possible trade practice conference for that group. Such a conference, coupled with conference between FTC and representatives of state commissioners, it is believed, might result in suggestions of further legislation on mail order operations.

However, industry observers say they believe there is no necessity for more federal legislation on that subject. It is pointed out the Postoffice Department has authority over fraudulent insurance operations conducted through the mails, while FTC has jurisdiction over unfair trade practices, unfair methods of com-

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UNFINISHED BUSINESS

From Earl Schwemm comes a truly great Power Phrase: Unfinished Business.

John Prospect is a typical American. In addition to the normal responsibilities of providing for a wife, two youngsters and paying on a home, John has other obligations to his family which constitute, for him, *Unfinished Business*.

John's obligation to provide the material necessities for his wife as long as *she* lives, not just as long as *he* lives, will be *Unfinished Business*, until the obligation is eliminated by John's accumulating sufficient wealth, or by his wife's death.

John's young son and daughter are real joys and blessings. They are, also, serious responsibilities. The obligation to guarantee—until they are self supporting—that they will never want for the necessities of life, and the obligation to provide for their college education are *Unfinished Business for John Prospect*.

The attractive modern home on which John has paid 3 years of a 20 year monthly repayment mortgage, will be paid for in 17 years—but, for 17 years it will be *Unfinished Business*.

John's family, his home, his earning power—his *Unfinished Business*—can be made secure and free of uncertainty in only one sure, safe way—the Life Insurance way.

Insurance in Force — September 30, 1948 — \$378,985,098

COMMONWEALTH
LIFE INSURANCE COMPANY
LOUISVILLE

UCD States Train Army of Group Men for Future Roles

The regional group staffs of many companies have been seriously depleted by temporary assignment of an army of group men to New Jersey and California to handle the compulsory disability rush. But the harried regional managers paradoxically are happy about the situation, because when their men return from temporary duty, they will bring back invaluable experience. The election makes it highly possible that similar compulsory legislation will be installed next year in several additional states. If the insurance companies were not set up to handle this business through men trained in New Jersey and California they might be swamped.

Many of the companies have established "second home offices" in New Jersey and filled them with group service and sales men, and home office underwriters and executives, most of them on temporary duty. Trainees who normally would still be "under the wing" in the home office or one of the branch offices, have been put on their own important assignments in New Jersey. It will take on-the-spot staffs some weeks to get out from under the results of such great sales activity. Larger staffs may have to be retained in the states permanently.

At the same time, skeleton group staffs in the other industrial states are staggering under far better than normal business. Their men are returning slowly from the compulsory states. Their hope is that by the end of this month, when the peak of group writings normally are reached, most of their men will be returned.

An interesting feature is that California and New Jersey, which have always been fairly good group states, are now accounting for a much larger percentage of new group business written than ever before. In one company, where these two states combined accounted for 5% of new cases written, now over 50% of the number of cases written are in the two compulsory states and at least 50% of the volume.

Many of the regional group managers themselves have participated in the New Jersey operation, at least briefly, and members of their staffs have been there for weeks. All these men will return to their home territories, well posted on the operations. The number of trainees thrown into the breach will have amassed experience within a few weeks that it might take them years to accumulate under normal conditions.

New Committees Named for Insurance Bar Group

Henry W. Nichols of National Surety has announced committees of insurance section of American Bar Assn. of which he is chairman.

Chairmen are: J. H. Labrum, Philadelphia, membership; H. W. Raymond, New York, publication; F. A. Betts, Los Angeles, insurance law practice and procedure; R. N. Caverly, America Fore, automobile; S. C. Morris, Charleston, W. Va., aviation; C. C. Fraizer, Lincoln, company regulation; H. B. Rollins, Baltimore, casualty; W. A. Mansfield, Detroit, fidelity and surety; H. H. Berger, Kansas City, fire; F. R. Allaben, Grand Rapids, accident and health; Thomas Lemming, Chicago, life; E. G. Dobrin, Seattle, marine; W. D. Pierson, Oklahoma City, workmen's compensation; H. E. Hilton, U. S. Chamber of Commerce, cooperation with state and local bar associations; J. V. Bloys, Life Insurance Assn. of America, insurance status; H. W. Colmery, Topeka, veterans affairs; L. P. Henry, Liberty Mutual, compulsory non-occupational disability benefits; Mr. Labrum, lay adjusters; Lon Hocker, Jr., and W. R. Mayne, St. Louis, entertainment.

H. B. Palmer Pleads for Democracy in Business

The necessity of top management remaining young and vigorous in spirit

was stressed by H. Bruce Palmer, vice-president in charge of agencies of Mutual Benefit Life, in addressing L.I.A.M.A.

Mr. Palmer counseled agency officers to adapt their business to democratic principles and wipe out "totalitarianism"; invest in the proper training of home office and field employees; broaden the frontiers of salesmanship; broaden their concept of the meaning of "personal"; broaden their responsibilities outside of their business organization.

If the talents and the concepts of youth are combined with the experience and the leadership of older men, an organization will not grow old, he said.

"In our modern business enterprise there are thousands of resourceful and alert minds between the ages of 40 and 65 which can give great stimulus to the best minds of younger men who fall under their leadership. Can we have a division of labor along natural lines? Can we give the younger man practical experience in administration under direction which will develop his full executive potentialities, with the expectation that as he passes middle age, he will shift from a job calling for physical energy to a position using his experience to the fullest extent? Delegate

to youth the arduous labor of administration and you will not have so many middle-aged breakdowns."

Mr. Palmer said a democratic business organization recognizes every employee as an individual.

"Have you recognized your sales managers as an integral part of over-all company management and have you given them representation? Have you been willing to recognize your salesmen as the first-line representatives of company management?" the speaker asked.

In the training of employees, Mr. Palmer declared that "practical education brings with it a sound process of up-grading—the continuous stimulus of top management. You either make a capital investment in training or you take a capital loss in lost manpower—in poor employee relations."

The broadened responsibilities of management outside its own sphere of operations extend to government, according to Mr. Palmer. "Business men criticize government—every phase of it. If they would take only a small portion of the time used in complaining to participate actively in government, it would not be necessary to criticize. If every business organization in this nation of any size would give for one year the time of a capable, energetic, imaginative young man to some political unit, then we would have sound government, and, based upon this sound government, we could build a greater foundation for the maintenance of a free enterprise system. There is definitely a place for business in government, if business unselfishly serves our American public."



H. B. Palmer

Says Stress Should Be on Existing Training Facilities

Agency officers will do well to put an increasing amount of effort to see that better use is made of existing training machinery,

said John Marshall Holcombe, Jr., managing director of L.I.A.M.A. in his report at the annual meeting of L.I.A.M.A. in Chicago.

While it may be a question whether the big problem in better serving the public is to continue making better training tools and encouraging each company to plan and develop better use of existing tools, Mr. Holcombe said a combination of both should be sought, but the latter deserves the greater emphasis. He suggested that the home office accept the responsibility for using existing facilities more effectively. Just as the investment department could be properly criticized if it invested in too risky securities, Mr. Holcombe suggested that agency officers may be criticized for a constant expansion of the investment in more training machinery until the risk in that investment has been reduced by investing both time and money to see that present machinery is more effectively used. He urged a study of the problem of learning whether the existing machinery is being used as effectively as is possible.

Asks Better Understanding

Bespeaking better understanding between home office and field, Mr. Holcombe said that the first step is to learn what the field force thinks about the home office. L.I.A.M.A. has started this in its job opinion and job satisfaction studies and many individual companies are making interesting studies in this direction, he said. Then there should be a study of channels for better communication between the home office and the field to promote better understanding.

Too frequently communications fail to say why certain steps are being taken. Similarly, trips by home office executives to the field should be judged by whether they create an understanding of the reasons for the decisions which the officer is announcing or describing.

As to advisory councils of field men, Mr. Holcombe said that experience indicates necessity for extreme care in choosing personnel and recognition that what is important is what the field men wish to know rather than what the home office thinks they ought to know.

"Many members of an agency force slip away from the influence of the home office in such a way that the home office never suspects it, but when we have achieved that mutuality of understanding about which I am talking, the home office can then secure high returns for its efforts at stimulation and motivation of the field force but not until then," he said. "It is demonstrably wasteful to attempt motivation until an attitude of understanding exists in the field."

Not Sole Vermont C.L.U.

The item in the Oct. 29 issue stating that Frederick E. Gould, general agent at Burlington, Vt., of New England Mutual, was the only C.L.U. in the state should have said that he is the only field man in the state who is a C.L.U.

Uebele Chicago President

Lloyd Uebele, Northwestern Mutual, has been selected as president of the Chicago C.L.U. chapter to succeed C. E. Lindstrom, Travelers, who has been transferred by his company to Peoria as manager.

Suspects and Prospects

Charles A. Jernigan, member of the Penn Mutual's Allan Gates Agency at Little Rock, Ark., says:

"I am listing below what I think are of some help in distinguishing between suspects and actual life insurance prospects:

"1. Obtaining as much information about a prospect as possible prior to the first interview. If this information proves unequivocally that he does not need life insurance, just don't see him.

"2. In the first interview, if you haven't found a life insurance need by using No. 1, do not try to sell the prospect but use the first interview only for getting the necessary information.

"3. Assuming that you have been successful in either No. 1 or No. 2 in establishing a need, then get an appointment with the prospect and present an organized plan or sales talk which would be most appealing to both the life insurance needs and economic situation."

• • •

THE PENN MUTUAL LIFE INSURANCE CO.

JOHN A. STEVENSON
President

INDEPENDENCE SQUARE, PHILADELPHIA

RESEARCH RESULTS:

Wallace Reports on L.I.A.M.A.'s Expanded Program

Reporting on the expanded research program of L.I.A.M.A., which has been in force for the past year, S. Rains Wallace, Jr., director of research, told the annual meeting of L.I.A.M.A. in Chicago that in addition to the answers that have been obtained it has found out how to get answers to other questions as yet unanswered and the wheels have been started rolling in order to get them.

Mr. Wallace said the 1949 aptitude index will bring out how many men the managers are bringing to the point of testing, what proportion of the bet-



THE CALIFORNIA QUALIFICATIONS LAW HAS SET UP A PROBLEM WITH SOME COMPANIES IN THE LICENSING OF NEW AGENTS AND GETTING THEM INTO PRODUCTION.

To help solve this problem, we have prepared a California Supplement, for use with our basic course—An Introduction to Life Underwriting. This Supplement consists of four study units.

- A—Supplemental Life Studies
- B—Industrial Insurance
- C—Accident & Health Insurance
- D—California Code

Each study unit is accompanied by a complete questionnaire which serves as a progress study check. This Supplement and An Introduction to Life Underwriting, together with your company's rate book and the Insurance Manual (published by the California Insurance Department), will, we believe, enable your company to secure permanent approval of its training program for use with new agents in that state. The California Supplement, \$2.50.

WE ARE ANXIOUS TO HELP OUR MEMBER COMPANIES MEET THE CALIFORNIA SITUATION WITH A MINIMUM OF DIFFICULTY. WRITE US ON ANY PHASE WHICH MAY BE TROUBLING YOU.



PAUL SPEICHER
Managing Editor

**THE INSURANCE
RESEARCH & REVIEW SERVICE
INDIANAPOLIS**

ter men they get and what proportion they lose. It will thus be possible to spot the managers who waste their time talking to unlikely candidates and those who find good men but who are unable to close the deal.

Commenting on the aptitude index results, Mr. Wallace said 1,584 Canadian recruits traced through at least two years showed that 14% of the A scores survived two years and produced at the rate of \$180,000 a year; 6% of the B's made it, 4% of the C's and only 2% of the D's and E's. One out of every seven A men paid off but only one out of every 50 D or E men paid off. However, it was found that many tests were not scored properly. This is partly the fault of the managers and partly the fault of the test itself. Many items are out of date resulting in too high scores.

Discussing training, Mr. Wallace said training for skill is more difficult and more important than imparting knowledge. In order to answer questions about skills it is necessary to know what skills agents are now using and how they use them. In the next few months L.I.A.M.A. will have a picture of the way in which 1,500 agents sold their last 15,000 cases and will be able to analyze their prospecting and selling habits, relations with policyholders, and where, when and how they sell. It should give a better idea of what skills they have and how they use them and what training they need and how it should be given.

Cause of Orphaning Is Factor

Mr. Wallace said that persistency of orphan business is very poor but it was also found that its inferiority showed up before it was orphaned rather than after, indicating that agents who are going to terminate sell poor business but their termination of itself is relatively unimportant. Business on women is usually the most persistent.

Larger policies are more persistent, and analysis confirms this, except for a puzzling tendency for the smallest policies to be higher in persistency. However, income affects persistency and people with higher incomes tend to buy larger policies. When size of policy is examined within one income group it is found that among men in the middle income group there is no relation between size of policy and persistency and if anything the smaller policies persist better. Hence, credit for larger policies on the persistency rating chart should have been actually credited to higher income.

New Rating Chart for Mid-'49

By mid-1949 L.I.A.M.A. will have a new persistency rating chart which will better answer the question of where to look for persistent business, Mr. Wallace said. But there are many persistency factors that can't be used in a chart. Data on some of such factors can be obtained only from the people themselves. Preliminary studies indicate that in many cases nobody made any effort to save the business. Only about one lapse out of three could be blamed on purely economic factors, and 81% of these said they wanted to buy more insurance as soon as they could while only 28% of the others said they would buy again.

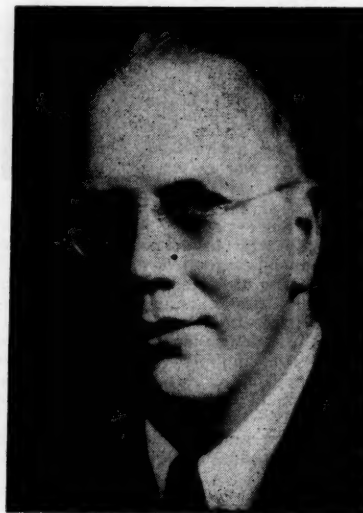
Lapsed policies, it was found, were more likely to have been sold by agents who were casual social contacts than by close friends of applicants or those who hadn't known the applicants previously at all.

Sixty-seven percent of lapsers believe the company made a profit on the transaction and 49% say they received nothing for the money they paid. A Seattle survey showed that 38% of the people admitted lapsing a policy at some time in their lives; 77% have bought a policy from an agent, while 27% have bought more than one policy from the same agent and 24% have asked an agent to sell them a policy.

Companies are neglecting one of their

Furey Hits Lack of Interest in Cost Research

Attacking the lack of institutional interest in the subject of life insurance distribution costs, Vice-president W. Rankin Furey of Berkshire Life told the L.I.A.M.A. annual meeting in Chi-



W. R. FUREY

cago that despite the important projects being carried on in this field the present pace is so slow that "by the time we reach satisfactory conclusions hell will be frozen over solid."

Mr. Furey pointed out that from 1932 to 1945 the total expense of doing business varied from 13.6% of total income of the companies to 13.4%. Depression, recovery, and war time economy made a negligible change of eight-tenths of 1% of total income. However, in 1946 the expense rate jumped by two percentage points of total income and in 1947 it jumped another 1.3 points. He said it is likely that the business is faced with an increase of something like five percentage points of total income or a 35% increase in the expense itself. This amounts to about \$500 million.

Happened in Boom Period

Emphasizing that this increase occurred in a period of rapidly rising premium income, total income, and new business and would have been more serious under less rapid growth, he said that life insurance has flourished as much because of the push and power of the current social trend as because of individual skills or acts of those responsible for its merchandising.

Mr. Furey mentioned the amounts that the life insurance institution is putting into institutional advertising and heart disease research and while he heartily endorsed these said that "if we can afford such sums then it is high time that we put some real money and some real backing into a study of this absolutely basic problem of the high cost of merchandising life insurance today."

Denying that it is a foregone conclusion that the total expense margin should be increased, even under present-day conditions, Mr. Furey said that a study of the New York law had convinced him that what should be investigated is the necessity or desirability of

best markets when they fail to make more of a play for their present policyholders, said Mr. Wallace. The 1942-47 persistency survey showed that only 15% of those who had bought policies in 1942 have bought policies from the same company during the succeeding five years.

changing the law in a way which would not necessarily increase the total expense limit but which would adjust the application of the law within that total limit more fairly to the incidence of expense under present day conditions. He pointed out that if the New York department were to call the companies in and ask what changes should be made there are no figures sound enough and broad enough to furnish an intelligent presentation for the industry's needs.

Lists Unanswered Questions

Among the questions needing answers he listed these: Is home office operational cost properly broken down as between new business and renewal business? Are you borrowing from new business to carry renewal or vice versa? Do you know at what point you have reached a satisfactory expense level so that monies saved beyond that point can go into doing a better job for present policyholder, into expanding the merchandising possibility of your company, into making the service of your company's product available to more and more people? Or do you simply follow the policy of living down to an income every year, spending a little less, bringing your unit cost on down to the possible point of diminishing return? Are you sure you know how much you can spend to build another million of production? Do you know when you have money available for added expense? Or are you confined by a policy of denial here, cutting there, simply because that looks to be the sagacious, safe way to do business. Have you a satisfactory answer to that fear that keeps most of us awake at night—how can we protect ourselves from the twin disasters of sticking our necks out too far and the even more important one of not sticking them out far enough?

Other questions dealt with how much it costs to open a new agency and the possibility of having been remiss in not opening more new agencies. Is the company satisfied with its method of compensating its agency heads or is it content to continue a system of paying him today for what he did years ago or what his predecessor did? Might it not be cheaper to run his cashier's department for him and leave him free for the job of sales management?

Mr. Furey questioned whether the usual form of agents overriding is well adapted to providing retirement security, since it tapers off.

Should Provide Easy Payments

Turning to the increase in average policy size, Mr. Furey said this may be sound and desirable for an occasional company but it is not solving the industry-wide cost problem for it means neglecting some large segment of the population, perhaps 50% to 90%, simply because the companies have failed to solve the problem of how that market can be tapped within its cost limitations. He cited the same line of reasoning in the case of high premium policies. With non-life insurance competition "struggling to get the dollar away from the American citizen on anything from a dollar down and a dollar a week for life" Mr. Furey asked, "are we not being left at the post in our failure to devise a method where we too can give the American people the opportunity to obtain, without extra cost, the benefit of our service in more convenient payments?" He said the average citizen cannot be trusted to accumulate money for six months or a year to turn over as a life insurance premium and if the companies do not find a way to handle it somebody else will, probably a governmental agency.

Edmund B. Thurman, Jr., New England Mutual, Chicago, has become father of his first child, Bruce Randolph. Grandfather E. B. Thurman, the New England Mutual general agent, is already talking about a third generation in the agency.

Union-Life Company Relations Blistering

NEW YORK—Several developments occurred here during the last week in the field of union-life company relations:

1. Announcement of the formation of a "citizens and policyholders committee" to look into mutual life insurance companies, starting with Prudential. Headed by Paul O'Dwyer, brother of New York City's mayor, this looked pretty impressive until it became obvious that it was merely the latest move of the CIO-UOPWA union in its effort to discredit Prudential. Though no connection between the "committee" and the union was indicated elsewhere in the mimeographed news release, at the bottom of the release was "uopwa 16-1," the same as on a release sent out by the union on its libel suit against Prudential.

2. An answer by Prudential to two of the points mentioned in the "committee" release.

3. Filing of the union's \$1 million libel suit against Prudential, as the union about a month ago announced its intention of doing.

4. Announcement that UOPWA leaders have voted to sign non-communist affidavts required by the Taft-Hartley law, reversing the union's former stand. However, because of shifts in the top-brass lineup only one officer will actually sign.

5. A blast by UOPWA President James Durkin against Metropolitan Life for not bargaining on a new contract.

The "committee" announcement stated that other large insurance companies also will be subject to scrutiny because of the strong position the life companies hold in economic affairs "despite abuses uncovered in the temporary national economic committee investigation."

Referred to Union for Copy

When asked for a copy of the announcement, Mr. O'Dwyer, a member of the law firm of O'Dwyer & Bernstein, referred the inquirer to the UOPWA office. He was, he said, in this thing just to help the working man.

The announcement starts off by saying that the committee will aim to secure a more active part in management of mutual companies by policyholders who own them, that the committee will cooperate with existing state agencies and enforcement bodies and with mutual policyholders "to maintain high standards of ethical conduct," asked for inquiries from organizations and policyholders regarding practices and operations of any insurance company in the country. The release set no date for the inquiry to start.

Six specific "reasons" for investigating Prudential first were listed by Mr. O'Dwyer. A little more than a handful of self-perpetuating officials who vote "mechanically collected" proxies of approximately 2% of its policyholders, govern Prudential. As one of the big five life companies, Prudential's policies and practices influence the lives and living standards of all Americans. By a system of interlocking directorates, Prudential has controlling interest in giant industrial corporations, railroads and commercial banks extending into dominating fields of business. The company practices an un-American policy of discriminating against Negroes by discouraging agents from selling policies to them. When they do sell such policies discriminatory rates are charged. It was one of the companies involved in a recent government suit against 17 big banking houses charged with a conspiracy to control the economy of the country, which would result in even higher prices for the public.

Reason No. 6 is listed as: "Refusal to bargain with the recognized and designated union of the agents, the UOPWA, on grievances and wage demands."

The announcement seems to have

been quite successful in getting itself accepted as a straight news story instead of being spotted as merely an ingenious club to take a swipe at the Prudential with. In fact the New York "Herald Tribune," ordinarily as friendly to life insurance as any paper in the country, ran the story practically as it was sent out and without any indication of its real nature.

In answer to two of the points raised by the "citizens and policyholders committee," a representative of Prudential said that "all types of insurance are available to Negroes; they are granted the same policy terms as Caucasians where the risk is the same. The same rate of compensation is paid to our agents for writing policies on Negroes as on whites."

Discrimination is not practiced, and the rates charged Negroes are based on actuarial studies of the risks involved. The company states that it has policies on Negroes in all types of activity.

The company spokesman also declared

that "Prudential is out of this investigation entirely" referring to the charge made by the committee that the company is involved in a government suit against banking houses on the grounds that they conspired to control the economy of the country, which would result in even higher prices to the public. According to Prudential, the company did not participate in this investigation, nor was it involved in the proceedings.

As to the charges raised during the hearings of the temporary national economic committee in its investigation of insurance companies, Prudential pointed

(CONTINUED ON PAGE 23)



... IN LIFE UNDERWRITING, TOO!



Just as good interference is important on the gridiron, it plays a vital role in life underwriting. We believe that our national advertising, appearing regularly in *Collier's* and *The Saturday Evening Post*, does an excellent job of running interference for Mutual Benefit underwriters. Combined with the thousands of personalized reprint folders which our underwriters use each month to identify themselves with this advertising in their home towns, our national campaign helps them win new friends, new clients.

Does this advertising build underwriters' confidence? Enthusiastic reports from our men tell us that it's a definite help in building prestige... in opening doors to easier prospecting, easier sales. And, in life underwriting, that's the kind of confidence that counts.

THE MUTUAL BENEFIT LIFE INSURANCE COMPANY

ORGANIZED IN 1845



NEWARK, NEW JERSEY

Dave Barrett as a Prophet

Under date of Oct. 13 David F. Barrett, veteran news correspondent at St. Louis of THE NATIONAL UNDERWRITER and former publicity director for American Life Convention, wrote a chatty letter to the editor, touching on some doings at St. Louis, the world series and politics.

Following the election, we took another look at this letter and decided Mr. Barrett is entitled to some public

recognition for the suspicions that he entertained and expressed therein of the validity of the polls. He wrote on Oct. 13:

"What do you think about the screw polls on the presidential election? Personally, they don't make sense. Gallup, for instance, would have Dewey sweeping the country with Dewey at the same time losing Missouri, Minnesota, Arizona and New Mexico and only running neck and neck in Colorado. The rest of them are as bad. It would seem to me, of course, that Dewey does appear to be sitting pretty, but there are a lot of angles that the amateur poll takers

are overlooking. Also some of their percentages for Wallace look cockeyed. Perhaps on Nov. 2 a lot of those loud shouting Wallace backers may not really vote for him. Labor certainly is going down the line for Truman, since the business agents know what will happen to them, otherwise. The basic factors and important elements are such Dewey certainly isn't a 1 to 15 shot; 9 to 10 or 2 to 3 would be more like it. This may be the year to end all polls. Which, in itself would be truly wonderful. Charley Hughes lost by his whiskers back in 1916. Tom Dewey could miss out by his mustache in 1948."

Recruiting Interviews Discussed at Forum

A picture of the business he can understand, the fact that life underwriting can be enjoyable work, his own possibilities of success, and the ability of agency management to make him successful are four points which should be sold the prospective recruit, according to those participating in a forum discussion of recruiting process. It was staged by the Indianapolis General Agents & Managers Assn. this week and is one of a regular weekly series of management discussions.

Size and scope of the business, whether or not the prospective recruit knows and likes people, and whether he can work for himself are points that should be developed in the first recruiting interview, according to the discussion. This interview should conclude with an aptitude test—either taken in the office or by the man alone at home.

The second interview, the forum decided, should detail to the man exactly what will happen if he comes into the agency: training, supervision, and work routine; agency philosophy; the company; and a demonstration of an actual sales talk. It should conclude with the request that he compile a list of at least 10 people on whom he could call at once if he should sign a contract.

"Negatives" of the business should not be played down, it was pointed out. Some agency men present said this should even be emphasized to the point of over-stress to avoid later "let-downs." This view was contested, however, by Moderator Ray Patterson, Penn Mutual general agent, who declared that the only two negatives he had ever met were irregularity of income and night work.

The discussion group also heard a wire transcription of recruiting records used by Pacific Mutual to "weed out" unsuitable applicants with the least expenditure of the general agent's time.

Lists Best Sources to Find Beneficiary

In missing beneficiary cases an obligation of the insurer is to find the beneficiary even though cost of finding him often exceeds the proceeds due, George T. Hitchcock, regional claim representative in Chicago of Equitable Society, told Chicago Home Office Life Underwriters Assn. last week.

He outlined information sources, mentioning particularly drug store prescription lists, elevator operators at the business address, the taking of movie pictures which will pass court inspection, and the shadowing of disability and disappearance suspect cases.

He said that over 25 years of claim work had proven that honesty of claimants and beneficiaries can, with few exceptions, be taken for granted. The few exceptions require all the ingenuity and experience of any claim man.

Mutualization Plan O.K'd

The Ohio supreme court has upheld Ohio National Life's mutualization plan, refusing to hear the appeal which Roy L. Struble sought to bring before it. The court of appeals at Cincinnati had held that the mutualization plan complied with the Ohio law.

Ways of Reducing Costs are Explored

NEW YORK—A number of suggestions for controlling and reducing costs were presented at the conference on office management problems of the American Management Assn. here.

Aetna Life uses a unit cost plan on a departmental basis regardless of the number of functions performed in the department. T. W. Goodrich, chief of unit costs, personnel department, stated, The plan is simple. It caused little disruption when installed and requires a minimum of time to administer, only two-tenths of 1%. Using it, one person produces 100 reports for 42 departments.

Production Measure

With the system, it has been possible to develop satisfactory production counts for all activity. The company gets accurate allocation of a worker's time by a joint analysis of the work between employee and supervisor. The time percentages are then translated into wages.

The importance of forms in the cost of operating an office was stressed by Herman Knauss, planning supervisor of Mutual Life. In a program of standardizing forms carried on by Mutual Life a saving of \$135,000 was effected over a five year period. The clerical saving amounted to \$160,000. Before the form analysis was made 27 different forms were used. This figure was reduced to seven; and the number of necessary clerical operations was reduced from 34 to 18.

Since the war, management has come to recognize that clerical savings can be effected, Mr. Knauss said. The trouble is that many form control plans are started then left to wither on the vine. A plan of this kind should be continuous and continuously studied. The design of an office form is a specialty and should be done by trained personnel familiar with paper, color, office equipment, filing requirements, and eventual destruction procedure for forms no longer needed. Too many forms are developed when a revision of existing forms is all that is needed, he said.

Mutual Appoints Domke, Hull Training Assistants

Edward T. Domke, Milwaukee, and Harry S. Hull, Jr., Syracuse, assistant managers of Mutual Life, have been appointed assistants to the director of training effective Dec. 1.

Mr. Domke has been in life insurance since 1944 when he joined Mutual Life



E. T. Domke



H. S. Hull, Jr.

at Milwaukee, being appointed assistant manager in 1946. He is a director of Wisconsin Assn. of Life Underwriters and secretary of the Waukesha association.

Mr. Hull has been with the Syracuse agency since 1937. He was appointed assistant manager in 1946 after discharge from the army.

Life of Georgia Changes

J. D. Carr has been named district manager at Columbus, Miss., and E. L. Melton at Pensacola, Fla., by Life of Georgia. Mr. Carr was division special agent at Tupelo, Miss., and Mr. Melton division special agent at Panama City, Fla.



Two Fathers Has He, and I'm one of them!

I give clients a lot of service, but I was frankly stumped when one told me, "Bill, I'd like you to become a father next Tuesday!"

Then light dawned. He said I'd shown so much interest in his kid's future that he'd like me for God-father. I don't mind admitting I felt good.

Well, Protective Life showed me the way, but I'm the papa. Have a cigar!

GENERAL AGENCY
OPENINGS IN TEXAS,
KENTUCKY, NORTH
CAROLINA, MISSISSIPPI

For information, write to
C. B. McKenzie
Agency Vice-President

Why the PROTECTIVE LIFE for career men?

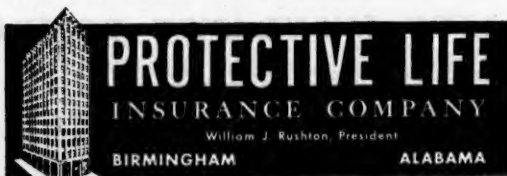
New Compensation Plan—Including liberal first-year and renewal commissions, vested renewals, lifetime service commissions, non-contributory retirement plan, group life insurance, hospitalization and surgical benefits, and a special cash bonus for persistency.

Training—Continuous office and field training in successful sales methods, consisting of a 5-point learn-as-you-earn program.

A Complete Line of Policy Contracts • Ordinary • Group Life and Disability • Group Hospitalization with Surgical Benefits.

Personal Relationship—Agency operations are exceptionally flexible so that we can do things the way you want them done.

Interested?—Write today for details.



Serving the South Since 1907. Insurance in force \$322,000,000

Weigh Portents of Election for Group Sales Future

It is too early to measure the effect of the national election upon group insurance sales, but insurance people feel there will be some dampening of the market during what is generally the biggest month of the year, December. Already noted by the group men is a psychological tightening of the purse strings on the part of business men who feel that their profits stand to be considerably curtailed. Many an employer has the attitude that right now he doesn't want to spend the money on his employees, because through legislation and bargaining they will be getting a lot more in fringe benefits soon.

The election has already made itself felt in the states where compulsory disability insurance has become an increased possibility, if not a probability, because of election results. A number of employers are indicating that they wish to do nothing about group disability coverage until they find out what the state legislation compels them to do. As a matter of fact, there are a number of group insurance men who think this attitude is reasonable and who are actually advising the employers to withhold installation of group disability coverage until the pattern of compulsory disability legislation shapes up in the individual states. The group men are stressing to these employers the advantages of insurance with private insurers in the event of passage of such laws.

The prospect of some form of excess profits tax being put into effect upon corporations, has given rise to the speculation that this may again be a factor in increasing the sale of pension and group plans. Corporation profits might be expected to be diverted into these channels rather than to the federal government.

Eye Federal Social Trends

The group insurance people, along with all others in the industry, will keep out an interested eye on increases in social security and possible national disability or hospitalization legislation. They do not feel that such events will have bearing on the sales of group insurance unless they are carried to extreme lengths.

The group insurance men expect the labor unions, whose position has been enhanced by the election, will be more vociferous than ever in demands for group and pension cover. There have even been some rumors that in any move on inflation, the government may reinstate some of the wartime freezes of wages and salaries, at least in certain categories. Such a move would throw increased labor union emphasis upon demands for fringe benefits such as insurance.

All in all, the group men do not look for any long range diminution of activity. UCD legislation would mean a great boom in the sale of group disability. Labor union pressure and the realization on the part of the employers that the temper of the public is for more social benefits from government and industry, will undoubtedly keep group sales at a high level.

Todd Lists Fundamentals On Which He Based Agency

In the establishment of an agency, John O. Todd, Chicago general agent of Northwestern Mutual, told the Life Insurance Agency Management Assn. annual meeting there must be a carefully thought out philosophy put on paper with as long as well as short-term statement of the purpose and atmosphere in which to work. There must be an agency plan, a long term plan made up of a series of short term plans, to be frequently reviewed with mileposts to measure progress.

The Todd agency founders decided they wanted in five years an agency

producing \$10 million of business a year. They decided that about 30 agents were as many as could be handled effectively. Both goals are maximum as well as minimum.

They wanted 10 men who could average a half million, 10 more coming up at \$200,000.

Mr. Todd explained how each man contracted was given a numeral and his progress charted as he moved from the bottom to the middle or the top group. "Thus, we have a picture before we take on the man of where he fits," he said.

Assistant District Managers Are Not Under Labor Act

WASHINGTON—National labor relations board has turned down, on advice of its general counsel, an appeal by Insurance Supervisors Union, A.F.L., New York City, from a regional labor relations board ruling.

The union had made an effort to unionize assistant district managers of

Prudential. It then went before the regional labor board and asked for a complaint charging certain unfair labor practices. The regional board turned down the request on the ground that assistant district managers are supervisors and therefore not subject to the NLRB act.

In sustaining the regional board, the NLRB stated that assistant district managers are supervisors within the meaning of the act and therefore not subject to it.

Farmers & Bankers Life has adopted rates and values on the CSO 3% basis.

Now I'm on Easy Street, Dad!

THEY WORK TOGETHER

YOUR Social Security

WORTH \$2,000 OR \$12,000?

THE MUTUAL LIFE

INSURANCE COMPANY OF NEW YORK

34 Nassau Street, New York 5, N.Y.

The Mutual Life's national advertising campaign is another part of the Company's overall program to give strong support to the personal selling efforts of its Field Underwriters. On an average of once a week a Mutual Life "sales message in print" appears in one or another of six leading national magazines.

Each ad is aimed directly at the better prospect—particularly the young family man. Every element of the ad—the headline, the illustration, and the short human interest story—helps to get our message across to that audience. Each ad explains briefly the contribution life insurance can make

toward family security, and stresses the desirability of an *Insured Income* interview.

To arouse the reader's interest further, the ad offers him a free booklet about Social Security. The booklet explains how to estimate Social Security benefits, and then points out the advisability of preventing the possible loss of those benefits through a properly coordinated life insurance program.

Thus The Mutual Life's advertising campaign and The Mutual Life Field Underwriters are exerting a combined effort to help convince the public of the need for life insurance.

Our 2nd Century of Service

THE MUTUAL LIFE

INSURANCE COMPANY OF NEW YORK

34 NASSAU STREET



NEW YORK 5, N.Y.

College Courses Are Big Aim Today, Zimmerman Says

In his annual report, Charles J. Zimmerman, associate managing director told the L. I. A. M. A. annual meeting at Chicago that one of the great undeveloped opportunities still facing the business lies in the field of getting courses in life insurance economics and functions adopted in the curricula of colleges.

"We are cooperating with other organizations to bring this about," he said. "In my opinion, no single accomplishment of your association would be of greater help to the field forces, to agency officers, and all home office men, and indeed to the public."

The campus training courses at Purdue and Southern Methodist Univer-



C. J. Zimmerman

sity are doing a most interesting and satisfactory job of training men at an earlier stage of development than those at whom the L.U.T.C. is beamed, he said. The techniques being developed at Purdue and S.M.U., the exceptional production results which their enrollees have achieved and the phenomenally low field turnover among those attending these courses indicate that companies can study campus training techniques with profit. The campus training courses, he said, have won added prestige for the life insurance sales career in both college and business circles and have "earned our continued support." This matter of prestige for life insurance and the agent is a key factor in contributing to high morale, said Mr. Zimmerman.

Sympathetic Understanding Essential

One of the essentials to job satisfaction and high morale is sympathetic understanding between home office and field, he said. Company house organs are major media of communication. The press relations section has served a number of member companies by reviewing, upon request, company house organs, and by making constructive suggestions as to layout, content, frequency of publication, etc.

Mr. Zimmerman said of the question-

naire on social security sent to member companies that the digest of replies is almost completed and embraces information which should be exceedingly helpful to agency officers in solving this extremely complex problem.

A sizable number of chief executives and agency officers believe that the national quality award program has had a more far-reaching influence for the good of the life insurance business than any one other cooperative effort, said Mr. Zimmerman, citing the increase of 43% in qualifiers. He mentioned that it is recognized that the present NQA requirements may not be entirely satisfactory and said the quality business committee on Tuesday considered this matter with a view toward recommending changes.

Publicity for NQA Business

The press relations section, cooperating with the Life Advertisers Assn. and the N.A.L.U., has done much to insure proper publicity for NQA winners, and has given many helpful suggestions as to methods by which companies can give proper recognition to their qualifiers, he said.

Describing the work of the 20 standing and special committees, Mr. Zimmerman said it is true that each year there may be one or two committees which serve on a "stand by" basis, rather than on an active basis, but that it is vitally necessary that these committees be organized and prepared to move into action should the necessity arise. He cited the committee on cooperation with other organizations as an example of this need for preparedness. When the problem of agents examination and licensing requirements in California arose, the state representative of the committee on cooperation, and others of the agency officers in California were helpful in securing information on the requirements of the California department.

Mr. Zimmerman said that in 1948 to date, nine of L.I.A.M.A. officers and staff members have made 44 speaking appearances. In addition to life underwriters and general agents and managers groups, they have addressed such audiences as college students, college teachers, psychological, actuarial, and management groups, insurance students, and public meetings sponsored by life insurance.

"Of course, we do not address all meetings which we attend," he said. "It only seems that way to us—and probably to you."

Ferris Joins Monarch

Stuart C. Ferris has joined the home office staff of Monarch Life as manager of sales promotion. He has had many years' experience in the life and A. & H. field and was formerly associated with a large multiple line company. He is a graduate of Yale University and served as an army officer in the war.

He was formerly an instructor in Travelers' life, accident and health and group school.

Explore Legality of Group Retention Agreements in N. Y.

NEW YORK—On call of the New York department between 60 and 70 representatives of the group life and A. & H. industry met here last week to explore the use by the industry of advance guarantees that the companies will retain only a certain percentage of the premiums for expenses, contingent surplus and benefit payments. Deputy Superintendent Raymond Harris, conducted the session, which was informal and exploratory in character.

Comments at the meeting indicated that use of retention agreements is increasing, particularly with larger customers. There the process is for brokers to invite bids from insurers. The insurer offers a guarantee or an estimate that it will return a certain percentage of the premium dollar to the insured in the form of benefits. The retention on the expense portion might be 15%. It has been as low as 10%. One company has a retrospective arrangement and this is part of the policy. This company is in the casualty field and has a precedent in that line for retrospective treatment of the premium. The approach of mutual companies is to give a dividend illustration which the company does not guarantee. There are certain reservations in connection with their proposals.

The use of retention agreements is more prevalent in A. & H. than in life insurance. Some casualty companies are interested and many of these were represented at the hearing.

The question is whether the practice is discriminatory, whether it is justified by the facts in each case.

Sees Lesson for Life Men in Truman's Plucky Fight

Seeing a lesson for life agents in President Truman's plucky campaign, President Charles E. Becker of Franklin Life, though a staunch Republican, has sent out to the field force a letter calling attention to Mr. Truman's refusal to give up in spite of all the expert opinion that gave him no chance whatever.

"Perhaps in his example lies a lesson for us of the Franklin Life," Mr. Becker wrote. "How often have we given up when the prospects said, 'no'? How often have we grown discouraged when we failed to sell two, three, five consecutive prospects? How often have we gone home early in the day, ready to feel sorry for ourselves, because things went wrong? How often have we just plain quit when just one more closing effort might have made the sale? Let's remember this lesson and apply it to ourselves. Harry Truman was game to the core and he made his sale. His was a typical American performance."

Eric Bell Makes Hit as Raconteur

N. Eric Bell of State Farm, Bloomington, Illinois Assn. of Life Underwriters president, enlivening his report with a "darker" story at dinner in Peoria during fall gathering of the state's life men while three notables applauded his southern (genuine) dialect: Prof. R. I. Mehr, University of Illinois insurance department chief; Clifford H. Orr, Philadelphia general agent National of Vermont, president of N.A.L.U., and at right, James E. Rutherford, N.A.L.U. executive vice-president.



★ Our Stars Live in Lovely Homes ★



Here's Another Home Located in STARDOM!

Owned by One of Our Successful General Agents

Not to be outdone by his own fellow general agents — this Star also has his own new home. He wrote:

"In the past four years, in which time I have been connected with the Illinois Bankers Life, consistent and substantial production has resulted in a good income. Among many other things, I can specifically point to a new home which I have recently built.

"I feel proud to be associated with the Illinois Bankers Life Assurance Company. I can say without hesitation that I have enjoyed the association just as I have enjoyed considerable success."

**(Name on request. Such a letter could well be written by you if you become a member of our happy family.)*

There's a Place in STARDOM for You, Too!

Investigate this opportunity to become associated with a group of enthusiastic insurance moneymakers and a friendly company that is genuinely agency-minded. Our unique methods create leads. If you are interested in Immediate Income, Renewal Revenue, and Future Security, write for our intriguing plan and learn of the general agencies still available. If you can meet our requirements, you'll be thanking your lucky stars you acted today. All correspondence confidential.

Hugh D. Hart, Vice-President and Director of Agencies

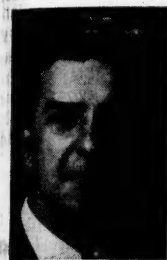
Illinois Bankers Life Assurance Co.

Monmouth, Illinois

"THE HAPPIEST INSURANCE FAMILY IN AMERICA"

Illinois Round Table Hears Two Valuable Talks

Some ideas which are clicking today for life agents were told by John H. Jamison of the Jamison & Phelps agency of Northwestern Mutual, Chicago, at the Peoria meeting of the Illinois Round Table last month. He said, however, it is not essential that an agent have an unusual sales idea, but to be more than a moderate producer he must have a very definite and effective work program.



J. H. Jamison

Mr. Jamison told of a Northwestern Mutual agent whom he jacked up to millionaire status while he was assistant director of agencies in the home office. This agent complained because he never could pay for over \$300,000 in a year. Mr. Jamison bet the man he could exceed that total in the next year; induced him to go to the home office for a short period of conference and then to prepare a good work program. The agent paid for \$503,000 in the succeeding 12 months, over \$700,000 the next year, and then for several years paid for over a million a year. He became a life member of the Million Dollar Round Table of N.A.L.U.

Tells Good Selling Idea

An idea which has sold a lot of life insurance, he said, is to increase a man's insurance to the amount of the life insurance deduction under the revenue act. Nowadays, a man who is entitled to the marital deduction can take his life insurance up to \$120,000 without increasing his tax, Mr. Jamison said.

Men today can be motivated in only two ways, he commented, by pointing out the benefits of taking the insurance, and the penalties due to failure to buy it.

Mr. Jamison told of a sale in his office of \$104,000 of 10 payment life insurance to a wealthy suburban woman with two daughters and two sons; \$26,000 each on the sons for the daughters-in-law, and on the daughters for the sons-in-law.

Mr. Jamison stressed the value of getting an entree to a big industry and following it up, as has Harry T. Wright, Equitable Society, Chicago, the "official" insurance man of the International Harvester Co. He has sold literally millions out there in personal and corporation insurance. Lloyd Uebele of the Jamison & Phelps agency has done similarly with another big firm.

Mental approach; belief that one can do the job, is of great importance. He mentioned an agent whom he told if he could find 100 good prospects a year he could attain large volume. The agent has averaged 99 prospects a year and is definitely over the hill. Another agent has been talked into believing he can make the M.D.R.T. and is on the verge of doing so.

Frank C. Toombs, division manager of Research Institute of America at Springfield discussed the marital deduction available under the new U. S. revenue act.

A good question to ask a prospect is, "Are you sure that you are drawing enough money from the business? You may be able to draw far more and yet not be penalized for it tax-wise." If the man feels he cannot afford to buy the insurance, the agent can show him where he can save the money to pay for the life insurance by proper estate arrangement.

In the case of an automobile dealer, a good question is, "Have you insured

your franchise?" If he should die, the wife's interest in the auto franchise would be lost.

Mr. Toombs discussed the important case of Legallet vs. Commissioner, 1940, 41 BTA-294. It especially involves a cross insurance arrangement. Under the decision, Mr. Toombs said, the effect

could be that both the value of the partnership interest and the life insurance proceeds could be includible in the estate for tax purposes. It is incorrect procedure, he explained, to have a partnership pay the premiums at all, and to charge these premiums to profit and loss. The best way is to have each partner write his personal check for the other's partnership insurance.

The only procedure on a cross-insurance arrangement is a cross-beneficiary arrangement—which is not often done because the policyholder desires to have his insurance proceeds paid under

the policy options.

Further, it is important that each partner be the beneficiary in the other partner's policy contract, Mr. Toombs said. This is essential because if a partner's wife is the beneficiary he, as the surviving partner will not have his cost basis increased when he survives the other partner.

Mr. Toombs said unless legal and tax counsel is consulted in the precise method of arranging the cross-insurance between partners, a resultant income tax liability could materialize when the surviving partner sold the business.

**SPOT
NEWS**

SINGLE PREMIUM LIMITS INCREASED

The following new limits of issue (subject to reinsurance when retention limit is exceeded) for Single Premium policies are now effective:

	Face Amount of Insurance
Single Premium Life or Endowment (Rated ages 11 to 14)	\$200,000
Single Premium Life or Endowment (Rated ages 15 to 65)	250,000

All Single Premium policies already in force in this Company will, of course, be taken into consideration in determining the amount that will be issued currently. Single Premium Endowments will now be issued to mature as early as 15 years.

Single Premium Annuities of all types

Maximum Single Premium
\$200,000*

*This new limit will be subject to the restriction that not more than the former limit of \$100,000 will be accepted if this would result in annuities of more than \$12,000 per year, taking into consideration any annual premium annuities that are in effect in this Company.



LIFE INSURANCE COMPANY • Springfield, Mass.

Mahoney Committee to Study Effect of Company Size

The relation of increasing life insurance assets to the course of the national economy will be one subject explored by the New York state joint legislative committee on insurance rates and regulations at a hearing in New York City, at the Hotel Roosevelt, Nov. 22-23. Chairman Walter J. Mahoney, Buffalo, said that the advisability of limiting life companies in the amount of money they may invest in private business also would be reviewed.

Life company assets have grown from \$3 billion in 1906 to nearly \$52 billion, of which 39% is held by the industry's three largest companies, Senator Mahoney pointed out. He recalled that the growth to \$3 billion was termed a matter of grave concern by the late Charles Evans Hughes when he was counsel for a committee reviewing the industry in 1906.

Quotes from Hughes

Sen. Mahoney quoted from the Hughes report: "No useful purpose will be served by their (the three largest companies) becoming larger. Their membership is so large and their resources are so vast as to make the question of responsible control and conservative management one of extreme difficulty, and their magnitude if permitted to grow unrestricted will soon become a serious menace to the community."

The subsequent development of the companies makes it increasingly important that they and their investment potential be given the closest scrutiny in every minute detail, according to Sen. Mahoney. The committee does not in-

McMahon and Edwards Agencies Honored for Record October Sales

Three home office men attended a banquet in Chicago Tuesday night at which agents of the R. S. Edwards, Chicago, and F. E. McMahon, Detroit, agencies wound up their annual October "Apserap" sales contest. Both general agents spoke, and in addition to most of the Edwards agency qualifiers, three leading Detroit agents attended—Richard Hawkins, Harry McFtridge and Maurice Klein.

The McMahon men won on quota basis with 265% compared to the Edwards 255%, but the latter agency wrote \$4,024,240 of new business in the month compared to \$3,210,000 at Detroit.

Present from Hartford were R. B. Coolidge, vice-president; Don Hansen, superintendent of agents, and O. H. Jessie, assistant superintendent. Mr. Coolidge noted that the Edwards agency was first in written business in October countrywide in Aetna, and the company's total was \$64½ million. A. D. Stein, assistant general agent at Chicago, reported October written production was the best the agency ever has done. Mr. Hansen and Mr. Jessie spoke briefly.

General Agent Edwards announced his annual steak and bean dinner and Christmas bazaar will be held Dec. 21.

tend to suppress free enterprise, he said, but it is not willing to permit unbridled control of a vast financial reserve which conceivably could be used to the advantage of a few at the expense of many. Neither does the committee have any preconceived solutions to insurance problems. It does want to go into the matters thoroughly, however, and make such recommendations as are necessary and proper.

New Actuarial Body Has 18-Man Board

In addition to the officers, headed by E. M. McConney, president of Bankers Life of Iowa, whose names were given in last week's issue, the newly formed Society of Actuaries, which will succeed Actuarial Society of America and American Institute of Actuaries, will have the following 18-man board of governors:

Henry S. Beers, vice-president Aetna Life; George W. Bourke, vice-president and managing director Sun Life of Canada; John D. Buchanan, assistant general manager and actuary London Life; Richard C. Guest, vice-president and actuary State Mutual Life; Victor E. Henningsen, comptroller Northwestern Mutual; James R. Herman, secretary Metropolitan; R. A. Hohaus, actuary Metropolitan; James E. Hoskins, actuary Travelers; Valentine Howell, vice-president and actuary Prudential; Wilmer A. Jenkins, vice-president and actuary Teachers I. & A.; M. A. Linton, president Provident Mutual; Joseph B. MacLean, Yarmouth, Mass.; Edward W. Marshall, vice-president and actuary Provident Mutual; Walter O. Menge, vice-president Lincoln National; Wendell A. Milliman, Seattle; Ray D. Murphy, vice-president and actuary Equitable Society; John G. Parker, president Imperial Life; Charles A. Taylor, executive vice-president Life of Virginia.

Says U. S. Is Creating Huge Pressure Bloc

The government's policy of deliberately depressing interest rates will lead eventually to creation of a legislative lobby that can threaten democracy, members of Bloomington, Ind., Assn. of Life Underwriters were told this week.

"Depressed interest rates plus high taxes make it impossible for traditional American thrift to provide old-age support," Robert W. Osler, editor of life insurance publications of Rough Notes Co., Indianapolis, told the meeting. "The result of this failure of thrift is building a growing body of elderly people who look to the government for support."

Most significant aspect of the elections was the fact that both presidential candidates had pledged themselves to the extension of the old age benefits phases of social security, he said.

"The voting pressure of governmental support of the elderly is already strong enough to make even the Republicans forget their traditional philosophy of individualism."

Osler cited a recent census bureau report showing one out of every 12 families is now living with relatives. "Part of these 3,000,000 sub-families come from the current housing shortage," he said, "but many others are the elderly for whom a lifetime of thrift has not produced a liveable income because of today's low interest rates."

"Over half of the people beyond 65 are today dependent on relatives or charity for their food and shelter," he stated.

He called on life insurance men to "view the situation with enough alarm to feel a social obligation to show everyone with whom you have contact that the annuity principle as applied through life insurance is the only hope today of achieving old-age independence."

"Ads" Open Business Cases

As a direct result of coupon advertisements by one company in a national magazine, Chicago agents sent out on the leads accounted for two business insurance cases, totaling \$75,000 and \$50,000 respectively. In one of the cases, further opportunities for group and pension coverage are indicated.

Cashiers' National Officers Installed at Convention

Miss Carmen A. Gallia, office manager of the John F. Fixa agency of Manhattan Life in San Francisco, was installed as president of the Life Agency Cashiers Assn. of United States and Canada at the annual meeting in San Francisco. The convention city and national president are determined by local association scores in activity programs. All the other new officers are also from San Francisco, this system being followed to provide a geographically unified leadership for the year. They are Neil Ball, Manufacturers Life, 1st vice-president; Harold McCrimmon, Reliance Life, 2nd vice-president; Karen Wraa, Ohio National, 3rd vice-president; Maxine Kujawa, Northern Life, secretary; Colette Drendell, Columbian National, assistant secretary and Henry Dunlap, Bankers Life of Nebraska, treasurer. The board of directors include Leona Elmore, Pacific Mutual; Eda Hudson, Northwestern Mutual; Emma Hukill, Metropolitan; and Blanche Tabor, Home Life.

Life Insurance Legislation Recommended in Oklahoma

A number of measures affecting life insurance were recommended by the insurance committee to the legislative council for presentation to the 1949 meeting of the Oklahoma legislature.

It recommended a constitutional amendment which would repeal the escheat law as to investments by insurance companies or other financial institutions in industrial properties and urban real estate in an amount not to exceed 5% of their assets.

The committee also favors a specific law to govern group life insurance, accident and health, hospitalization insurance and the like. Currently there is no such law.

Service

The institutions of Life and Accident and Health insurance are primarily ones of sales and service. We are building on that ideal with "Service" as our watchword.

Our Life and Accident and Health policies are salable and provide maximum coverage and protection to policy owners. Liberal agency commission contracts enable field representatives to build for the future.

We place a high value on human relationships as well as service.

WISCONSIN NATIONAL LIFE INSURANCE COMPANY
Oshkosh, Wisconsin

MORE OF THE BEST NO COMPANY CAN HAVE ALL THE SUPERLATIVES

... BUT ANICO can and does have MORE of the features which build better careers for its representatives.

- ★ An outstanding contract.
- ★ A line of policy plans to meet present day needs.
- ★ With rates and values that get preference.
- ★ Sales material of real aid.
- ★ And an organizational structure that permits the representative to set his own horizons in income and advancement.

ANICO Representatives Are ANICO's Best Advertisements

They know they have a contract second to none.
They know their policies are leaders in value.
They know Anico is an Agent and policyholder minded Company.

OVER A BILLION *Now* \$1,679,000,000 INSURANCE IN FORCE

Write Vice President

American National INSURANCE COMPANY

GALVESTON, TEXAS W. L. Moody, Jr., President

Mark New Prudential Building Opening

A week-long program of activities will start Nov. 13 to mark the formal opening of Prudential Square at Los Angeles, headquarters for the newly established, western home office of Prudential.

Carroll M. Shanks, president, and other top executives will arrive late this week to participate in the ceremonies. Scores of department heads and managers from cities throughout the 11 western states also will be on hand to witness the inauguration of the new administrative headquarters.

A dedicatory luncheon will be held, at which 400 business and civic leaders will be guests.

Completion of the two-block long building winds up one of the most rapid construction jobs in southern California records. Nov. 15 will be just 15 months from beginning of actual construction work.

Seminar for Managers

General Manager John M. Holcombe, Jr., and his associates in Life Agency Management Assn. will conduct a seminar the afternoon of Dec. 8, as a feature of the annual meeting of Life Managers Assn. of Greater New York. In the evening there will be a cocktail party and dinner honoring Clarence Axman, editor of "Eastern Underwriter," at the Waldorf-Astoria.

How Much for Insurance?

Readers of New York "Post Home News" were asked this question last week by Sylvia F. Porter in her financial column: "If you're a family of four and earn between \$3,000 and \$4,000 a year, how much should you put aside for insurance and savings?" Answering her own question, she said, "Between \$150 and \$200, or 5 per cent."

Taking the figures further Miss Porter wrote that "if you're a similar-size family and you earn \$5,000 * * * you should put aside about \$375 or 7.5 per cent. And if your income is \$7,500 to \$10,000? Then 10 per cent is about right."

These figures were reached "after months of intensive research" by J. K. Lasser (tax authority who authors "Your Income Tax") and Miss Porter. She said they represent the sum total of data compiled by government agencies and private experts, of information gathered in country-wide polls.

Thomas A. Moore, vice-president Marine National Exchange Bank, discussed "How Trust Departments Can Serve Life Insurance Underwriters and Their Clients" at a luncheon meeting of the Milwaukee C. L. U. chapter.

Lives to Win



Thomas W. Strange, general agent for Ohio National at Cincinnati, is shown presenting to John F. Nolan a check for the full face amount of the latter's policy, Mr. Nolan having outlived the mortality table by reaching age 96. The presentation was at a party which Ohio National officials and representatives gave Mr. Nolan. Others in the picture are Grant Westgate, superintendent of agencies and A. Otis Graeser, secretary.

First Regional Meeting Held at Los Angeles

Life Underwriters Assn. of Los Angeles held the first of a series of regional meetings at Inglewood, with an overflow attendance. The program was divided equally between debit men and ordinary men and business consultants.

H. Philip Maechling, Metropolitan Life, a \$500,000 producer and a successful debit man, spoke on "Prospecting Toward Programming." He told how he makes his prospecting finally fit into a real program of life insurance for his clients.

Ervin A. Gillespie, Prudential, spoke on "Give and Receive." He illustrated how, by giving to his clients his services and advice, he received the returns that have placed him in his present rank among his fellow agents.

Dan Flynn, Penn Mutual Life, in his talk, "That's My Slant—What's Yours?" told how his study of people and their needs and cooperation with attorneys, trust officers, tax consultants and fellow members of the Million Dollar Round Table gave him the "slant" that has brought him success.

Ben L. Wells spoke on "Handling People." He has been in sales training work for 26 years and told how he handles different types of people—egotistical, suspicious, stubborn and sensitive.

R. W. Hilgedag Resigning

Raymond W. Hilgedag, associate editor for Insurance R. & R. and head of its tax and business insurance division, has resigned to go into private practice. He is well known as a top authority in the field. He has been on the staff of New York University Institute of Federal Taxation for three years and will be on the staff of a new institute forming at the University of Miami. Mr. Hilgedag is expected to continue out the year with R. & R.

J. L. Ullman Slated at N. Y.

A. & H. Club of New York will hold election at its Nov. 18 dinner meeting, the nominating committee slate being: President, J. L. Ullman of W. L. Perrin & Son, general agency of Continental Casualty; vice-presidents, R. W. Fairbanks, U. S. Life, D. G. Parker, Accident & Casualty, and C. M. Cronin, Travelers; secretary, P. D. Cross, Phoenix Indemnity; assistant secretary, E. G. Finneran, Preferred Accident; treasurer, K. J. MacDonald, Hartford A. & I.; assistant treasurer, E. L. Tuohy, Metropolitan Life.

Anniversary Speaker

Clyde F. Gay, vice-president in charge of general agency department, was principal speaker at the annual meeting of the Indiana agency of John Hancock Mutual in Indianapolis. Special recognition was given Walter B. Lichtenstein, leading producer and member of the Million Dollar Round Table, in honor of his twentieth anniversary.

Nathan P. Paulus of Lafayette, another member round table, acted as toastmaster. R. Radcliffe Massey, manager of general agencies, also spoke.

Names E. J. Beckett in Ind.

Edwin J. Beckett has been named general agent at Indianapolis by Manhattan Life, which just recently entered. Mr. Beckett was with Equitable Society at Indianapolis and later at Plainfield, N. J. Previously he had been general traffic superintendent of Indiana Bell Telephone Co. eight years. He attended Butler University. His office is at 54 Monument Circle.

N. E. Conference Nov. 18-19

A New England regional conference sponsored by N.A.L.U. will be held at Boston Nov. 18-19.

In connection with the program, the Boston association will hold its monthly luncheon Nov. 18, when Glenn Drake will speak on "Personality in Action."

Chicago is a Great City



*When you're in Chicago
go and see the*

UNION STOCK YARDS

Visit the "world's busiest square mile," center of the U. S. meat packing industry, and on a busy day you'll see about 200,000 animals in the "yards." Indicating the importance of this activity to Chicago, the sales of Swift & Co. last year topped those of all Chicago companies in all lines of business, while the sales of Armour & Co. were third highest.

Chicago's meat packers, who were first to use the famous assembly-line technique, have also been ingenious in developing new uses for inedible parts of meat animals. So efficient are their operations today, it is a long-standing truism that "they utilize everything but the squeal!" You can make the most amazing plant tour of your life any Monday through Friday at the Union Stock Yards. And if you are there between November 27 and December 4 this year, you can also attend the nation's greatest stock show — the International Live Stock Exposition.

Come and see us too!

Our Company is an old-line legal reserve life insurance company, specializing in Accident and Health contracts and serving more than a million policyholders. Maybe we can

add something to our visitors' knowledge of this business; maybe they can do the same for us. Anyway, you can find us on the job from 8:30 to 5, Monday through Friday, and it's always open house here.



BANKERS LIFE & CASUALTY CO.

John D. MacArthur, President

Kenneth at Lawrence Avenue, Chicago 30, Illinois

"Chicago's First Insurance Company"—Established 1879

EDITORIAL COMMENT

Insurance and the Election

Even though a football weekend has now intervened to aid the nation in regaining its equilibrium following the stunning Truman triumph, the business community, including insurance, is still pretty well staggered by the reversal of outlook that the election caused. Business leadership had conditioned itself to the idea of a Republican victory and to have the basis for its projections and plans so surprisingly changed will require quite a period of mental readjustment. All in all the business community can be expected to take the returns in good spirit and to proceed to reaccommodate itself to the political and economic atmosphere which has existed since 1932.

The election and its implications raise questions of the most fundamental significance. From a long range standpoint, probably the question that is the most disquieting is that of whether there has now set in a drift toward state socialism that cannot be denied.

From the insurance standpoint there are two main specialized questions that the election poses. It may be said that the election has a favorable aspect in respect of one of these questions and an unfavorable aspect insofar as the other is concerned.

On the question of the future of state supervision of insurance, there is a general feeling that the election does not portend any radical change. It was under the Democratic administration that the S.E.U.A. prosecution was instituted and that public law 15 was enacted to meet the consequences of the Supreme Court decision on the interstate commerce question. While it can be expected that Congress and the administration will keep closely in touch with the way in which state supervision of insurance is exercised, it is unlikely that, barring some conspicuous developments that might reflect upon state supervision, there will be any congressional movement to change the pattern that was originated under the Democratic banner. Of course, if there should be a severe depression followed by insurance company failures, then state supervision could very well be put in an extremely defensive position. But that would no doubt be true no matter what party was in the ascendancy at Washington.

The other capital question of immediate concern to insurance men is what the election portends for social security legislation. It had been taken for granted that no matter who was elected, there would be an increase in present old age and survivors benefits and probably an

extension of those benefits to many of those that are not now covered, including life insurance agents that have not qualified under the employer-employee relationship. Governor Dewey had indicated his leanings in that direction and Mr. Truman was even more plain in that respect. He denounced the Republican Congress for having adopted the Gearhart bill which had the effect of spiking a Treasury ruling that would have created a special employer-employee classification in the social security system for life insurance agents and others somewhat similarly situated.

The election of Mr. Truman certainly gives the advocates of compulsory health insurance a great deal more satisfaction. Time and again he has advocated radical extension of social security into the health insurance field. However, one thing seems certain and that is that it was not national health insurance that returned Mr. Truman to office. None of the political analysts have ascribed his victory in any part to this issue. So, while the cause of federal compulsory health insurance has in a sense been served by the election, it seems doubtful that in the immediate future there will be enacted any sweeping legislation in this direction. There are still manifold reports, studies, debates on various aspects of the problem, hence insurance people can probably conclude that for the immediate future at least there will not be enacted any federal legislation in this sphere that will provide forms of protection that would be competitive to private plans. However, it cannot be said that the long term prospects are as reassuring.

In the fire and casualty insurance field post-election stock market performance was especially depressing because the decline comes so close to Dec. 1, which is the date on which values are taken for annual statement purposes. The spirits of fire-casualty executives had been greatly elevated by pre-election market improvement coupled with favorable underwriting indications for the year.

All companies are giving the closest study to investment policies. Some of the smaller fire and casualty companies this year made some modest commitments in the way of common stock investments and these companies are anxiously reappraising the situation. The post-election strength in federal government bonds and municipal bonds is interesting. Many institutional investors have been getting out of long term government bonds and holding heavier cash

balances or short term certificates. The Truman victory is taken in some quarters as indicating the likelihood that the pegs will remain for the government bonds.

One of the principal life insurance companies, it is reported, for some time past, has gone on the assumption that, contrary to the general belief, interest rates were destined to decline rather than to increase and they had been buying very freely of high-grade long term issues, particularly in the municipal field.

There will be many questions facing the nation in which insurance interests have particular knowledge and experience, and in which it will be their duty to make their opinions known and their influence felt. It is important for the insurance business as a whole to take its position on the stage of public affairs in a constructive and enlightened way.

President Truman has asked for public help. We think he means it. Insurance can give help to the administration at many turns. It is important for business to identify itself with the public welfare. We like the statement that was made the day following the election by H. A. Bullis, chairman of General Mills, who said that American industry "is proud to accept this decision. Industry will join with government and its decisions to keep our country's future secure at home and among all of the nations of the world."

"Business has the obligation of continuing to discharge its social responsibilities and to build ever higher its corporate good citizenship."

That is a platform that carries a lot of meaning and it is one to which the insurance business, we feel confident, will subscribe.

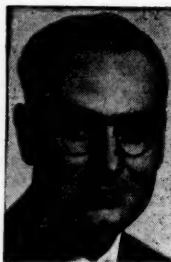
PERSONAL SIDE OF THE BUSINESS

Philip K. Robinson, vice-president of Northwestern Mutual Life, has been re-elected chairman of the Milwaukee county chapter of the Red Cross.

Donald B. Armstrong, 2nd vice-president of Metropolitan Life, received the annual Elizabeth S. Prentiss national award in health education at a luncheon meeting of the health education section of the American Public Health Assn. in Boston. The citation which accompanied the bronze plaque read in part, "To Donald B. Armstrong, M. D., surveyor, instigator, promoter of public health, administrator of a practical, nation-wide health education service."

Lara P. Good, Prudential manager at San Diego, was honored at an open house party marking his 25th anniversary with the company.

Paul W. Cook, general agent Mutual Benefit Life, Chicago, and chairman of the Million Dollar Round Table, was one of seven honored at the annual "Achievement Day" ceremonies at William Jewell College, Liberty, Mo., this week. Mr. Cook is an alumnus and his father, the late Dr. John E. Cook, was for many years its secretary-treasurer. The citation ceremony was



P. W. Cook

in the chapel and each recipient gave a brief response. Following this there were forums, each conducted by a citation recipient and that evening there was a formal dinner in Kansas City. The previous evening Mr. Cook addressed the Jewell chapter of his fraternity, Sigma Nu, at a smoker.

John A. Risk celebrated his 86th birthday at a party in the same restaurant in Minneapolis where in 1910 he decided to join North American Life of Chicago. Mr. Risk has been manager of the northwestern department for 38 years and has been a director for 30.

He is a past president of the North Dakota Assn. of Life Underwriters and the oldest living member of that association.

At the party was Charles G. Ashbrook, vice-president and director of agencies.

William C. Smerling, New York manager for Connecticut General, was guest at a surprise testimonial dinner given by local brokers in appreciation of Mr. Smerling's service. Guests included Stuart F. Smith and Albert J. Robinson, M.D., vice-presidents, and James L. Cole, superintendent of agencies.

President **Carroll M. Shanks** of Prudential has been reelected president of the National Council for Community Improvement.

Thomas I. Parkinson, president of Equitable Society was co-chairman of the dinner activities for the dinner of the National Foreign Trade Convention in New York this week.

Robert M. Kojima, secretary-treasurer of the United States Life agency in Hawaii, made his first visit to the mainland to visit the home office.

J. R. Townsend, Sr., general agent Equitable of Iowa, Indianapolis, has been elected president of Indianapolis Kiwanis Club.

John W. Hoffman, manager of the Illinois Boosters agency of North American Life of Chicago, was honored on his 70th birthday at a dinner and theater party attended by officers and directors of the company.

Esley Blackwood, Metropolitan manager in Indianapolis, is now conducting a daily column on contract bridge in the Indianapolis "Times." Originator of the famous "Blackwood Convention," he is known internationally as a contract player and authority. He began his bridge career at 11, his interest growing as he saw the application of the law of probabilities to the game. Recently on the train to Washington three elderly women invited him to make a fourth at contract. They did not know his name but all were "Blackwood Con-

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vention" enthusiasts and found several occasions to criticize his plays and explained "the way Mr. Blackwood would have handled it."

DEATHS

Robert E. L. Hargrave, 84, for more than 50 years with Home Beneficial Life and for a number of years superintendent at Petersburg, Va., died there. He retired several years ago.

Thomas E. Doolan, 74, retired agent at Milwaukee of New York Life, died there. With the company 21 years, he achieved Senior Nylic honors.

Gideon Gemmer, 84, supply department manager of Empire Life & Accident, and with that company nearly 20 years, died.

Ely D. Miller, 73, Provident Mutual Life, Columbus, O., secretary for a number of years of Columbus Life Underwriters Assn., was found dead in bed at the Y.M.C.A. He had not been in good health for several years. He was a graduate of Adrian College, Adrian, Mich., and formerly was in Y.M.C.A. work.

Mrs. Julia Forbes, 91, mother of Commissioner David A. Forbes of Michigan, died Tuesday in Blodgett Memorial Hospital, Grand Rapids. She had been critically ill for about three weeks since suffering a hip fracture in a fall at her Grand Rapids home.

OBSERVATIONS

Dollar Volume Up, Units Down

The analogy between general merchandising market experience and market trends in life insurance sales is strong today. As in the retail field, the business of many an agency is still going up in dollar volume, but unit sales have dropped off considerably. Salesmen are finding the market for business coverages, with attendant large amounts, is better than ever. At the same time, agents are finding increased sales resistance among individual buyers of insurance with consequent reduction in number of cases.

Senses Deposit Premium Hazard

For the first time since the war, the economic outlook has made it seem desirable for a Chicago agent, who has been outstandingly successful with a premium deposit plan, to prepare an assignment form for his clients. This fellow, handling both a life and general insurance business, takes care of all yearly insurance payments for his clients and allows them to pay him pro rata monthly. Until now he has not recognized the need for any type of assignment for feeling that his clients would continue prosperous indefinitely.

He has now been driven by increased overhead to consider charging a flat fee for his premium deposit service which he has performed free for his clients up until now.

Proselyting Now Rife in Chicago

"I seem to be training new men for the industry rather than for my agency." That's the way one sad Chicago manager summed up the proselyting situation which is a popular subject of conversation up and down LaSalle street. There is much to confirm the impression that the competition for agents already in the business has reached a high mark. Many a post-war agent has reached the point where he is a desirable target. Whatever the protestations, whatever the business morals involved, the raid trade is brisk indeed.

Helping Hand to S.B.L.I.

Anathema is what savings bank life insurance is to most regular life insurance men but the latter can cooperate with the S.B.L.I. people when it's in the public interest. Under the law that goes into effect in New York Jan. 1 savings bank clerks who sell life insurance over the counter must pass examinations on their fitness to deal with the public. Instead of standing by and watching hopefully for these employees to fall flat on their faces in these exams, the New York City Life Underwriters Assn. is doing all it can to help them get ready for the ordeal. It has opened its regular agents license courses to savings bank personnel and is conducting special evening courses for their benefit.

The association takes the broad-minded view that its chief aim is to see that those representing the institution of life insurance are capable and qualified, that its training course has developed

over the years into a very thorough schooling in life insurance fundamentals, and that by giving this course to bank employees the association is actually helping the life insurance industry and the buying public by making sure that bank employees handling S.B.L.I. are thoroughly grounded in the basic theory of life insurance.

Life Insurance Rarity

In case you should ever need one, you can get such a thing as a joint term policy, though most companies aren't interested in writing such a policy because it costs so little more, on the term basis, to write two policies, one on each of two lives. However, at least one company writes quite a number of such policies for two insured, occasionally for three insured, and has even written policies for four insured.

The usual purpose of joint term is to provide for the discharge of some business obligation that will fall due within a specified time, say five or 10 years. This might be the retirement of a debt, coverage for a key man who is doing a special job for the firm which will require a specified term to complete, etc.

Post-Election Pension Upswing

Pension specialists say there has been a sag in the sale of such cases recently. They attribute it to a pre-election wait-and-see attitude on the part of many business men and they hope that now the election is over these executives will come to a decision on propositions that have been hanging fire.

M.D.R.T. Leaders Meet

Nov. 18 to Plan '49 Rally

The executive committee and program committee of the Million Dollar Round Table will meet in Cincinnati Nov. 18 to plan for the 1949 meeting, which will be held at the Netherland-Plaza hotel, Cincinnati, immediately following the National Assn. of Life Underwriters' convention in September. Paul W. Cook, Mutual Benefit Life, Chicago, is chairman of the M. D. R. T. and Theodore Widing, Provident Mutual, Philadelphia, is program chairman. Others on the program committee are W. T. Earls, Connecticut Mutual, Cincinnati, vice-chairman in charge of bull sessions; F. R. Olsen, Northwestern Mutual, Minneapolis, vice-chairman in charge of publicity; O. E. Carlin, John Hancock, Columbus, O.; W. D. Davidson, Equitable Society, Chicago; E. T. Golden, New York Life, San Francisco; M. M. Goldstein, Connecticut Mutual, New York City; A. J. Lewallen, Mutual Benefit Life, Miami; David Marks, Jr., New England Mutual, New York City; F. L. McFarlane, Northwestern Mutual, Cleveland; V. A. Milette, Northwestern Mutual, Newark; H. L. Regenstein, Massachusetts Mutual, New York City; H. R. Schultz, Mutual Life, Chicago; G. W. Stewart, Penn Mutual, Pittsburgh, and S. D. Weissman, Equitable Society, Boston.

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The votes are all in,
...and it's Life Insurance
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Americans have voted
Life Insurance the
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family, . . . and every
year the majority is
growing!

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AND ACCIDENT
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HOME OFFICE
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NATIONAL BLDG.
TENNESSEE

AMONG COMPANY MEN

Collens Chairman, Holland President of Phoenix Mutual

Arthur M. Collens, president of Phoenix Mutual Life since 1935, has been advanced to chairman and Benjamin L. Holland, formerly executive vice-president, has been elected presi-



A. M. Collens



B. L. Holland

dent. Mr. Collens will continue to be the senior officer and chairman of the executive and finance committees.

A graduate of Yale, Mr. Collens' first connection with Phoenix Mutual was in 1916 as manager of an investment bureau serving Phoenix and two other insurers. In 1921 he was elected a director of Phoenix Mutual and in 1923 resigned from the bureau to become financial vice-president. In 1926 he became vice-president and in 1935 became president, succeeding the late Archibald A. Welch.

Mr. Holland, Kansan, is a graduate of the college and law school of the University of Kansas. He also holds

the degree of doctor of laws from Yale, where for more than a year he served as research assistant. Later he was acting associate professor of law at Leland Stanford University. He joined Phoenix Mutual in 1924 as an attorney and has served as associate counsel, vice-president and counsel, and executive vice-president and counsel. He has been a director since 1944.

Acacia Promotes 3 in Agency Dept.

Acacia Mutual has promoted DeWitt T. McGraw to director of sales promotion, Donald L. Smith to director of field training and Ernest T. Rice to field secretary.

Mr. McGraw has been in the agency end of the company for nearly 25 years and for the past several years has been in charge of advertising and sales promotion work, including redesigning of the entire direct mail setup. He has also handled details in connection with company meetings.

Mr. Smith joined the company in 1946 after having been in the army. He has been working on the agents' training program. Mr. Rice has been with the company nearly 20 years in the field department.

Jefferson Standard Ups 2

Jefferson Standard Life has promoted C. Archie Coleman of the reinstating division to manager of the information bureau, a newly created division of the policyholders' service department and J. M. Van Hecke, assistant manager of the change division to manager of the reinstating division. Mr. Coleman has been with Jefferson Standard since

graduating from Davidson College in 1935 except for army service. Mr. Van Hecke graduated from University of North Carolina in 1938 and was in the navy in the war.

Carr Girard Life Agencies Manager

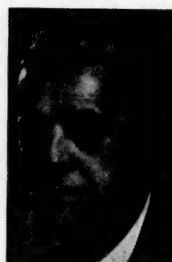
Girard Life has appointed Clarence H. Carr as manager of agencies. For

some time he has been Philadelphia general agent for Columbian National Life.

He was graduated from Girard College in 1920, and from Swarthmore College in 1924, immediately entering life insurance work at Philadelphia. At Swarthmore he won letters in baseball and soccer.

Mr. Carr was an agent for Fidelity Mutual at Philadelphia and later was an agent and then assistant manager for Prudential there. After some years he was named agency manager by Bankers Life of Iowa at Washington, D. C.

He is a C.L.U. and vice-president and program chairman of the Accident & Health Assn. of Philadelphia.



C. H. Carr

Provident L. & A. Advances Nine

Provident Life & Accident has made these promotions:

H. C. Unruh, assistant actuary since 1946, has been appointed actuary. He is a fellow of the Actuarial Society of America. He was educated at Acadia University, Nova Scotia, and Brown University. He was formerly with Northern Life of Ontario.

K. B. Piper, formerly vice-president and actuary, becomes vice-president in charge of internal operations and will direct all clerical, accounting and actuarial work.

J. R. Bracewell has been promoted to the new post of claim manager. He is an alumnus of University of Chattanooga, and has been in underwriting and claim work since joining Provident in 1926. He will be assisted by J. T. Estes and John Neligan, who have been advanced to associate claim managers.

Sherwood Landrum, George Lawler, and Leland Fussell have succeeded Messrs. Bracewell, Estes, and Neligan as division claim managers, and Lloyd Roberts has been designated office supervisor of the claim department.

Hosking Phila. Mortgage Manager for Prudential

Elmer Hosking has been appointed mortgage and real estate manager for eastern Pennsylvania, southern New Jersey and Delaware, with headquarters at Philadelphia, by Prudential. He fills the vacancy caused by the illness of Hugh Stevens.

Mr. Hosking joined Prudential as a clerk in the home office in 1926. From 1933 to 1944 he was in the Philadelphia mortgage loan organization, later going to the Newark branch and following that to the New York headquarters.

Alford in Agency Post

North American Life has named Robert Alford agency secretary. The position has been vacant since R. D. Rogers was advanced to assistant superintendent of agencies. Mr. Alford is the son of the late Freeman Alford who was an outstanding producer with the North American. He joined the company at Kansas City upon discharge from the navy in 1945.

SALES MEETS

Girard Life Holds Seaside Convention

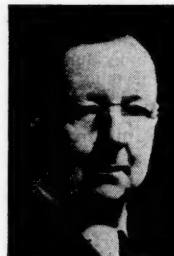
By E. H. FREDRIKSON

Approximately 100 Girard Life men were greeted by President Walter K. Hardt at the opening of the company's annual three day convention at Atlantic City.

George A. Adsit, executive vice-president, presided over a series of panels with the following speakers and subjects: L. Joshua Weiner, Newark, "The Wrong Label"; Glenn C. Messner, Columbus, O., "Rural Business"; Boyd K. Perkinson, Glenside, Pa., "App A Week"; Phil Freifelder, Philadelphia, "My Work Is Fun"; Gustave Jay, Jr., Newark, Del., "Opportunities in Business Insurance"; and Erwin A. Timme, Oak Park, Ill., "The Business of Being an Agent."

Announcement was made that Clarence H. Carr, former general agent of Columbian National in Philadelphia, had been appointed manager of agencies.

An individual problem conference was handled by home office men, with H. M.



G. A. Adsit



W. K. Hardt

Horne and W. R. Shoener covering selling; L. M. Webster, underwriting; Dr. John P. Chapman, medical, and K. O. Miller, accounting.

At the following day's session Dr. Chapman said that the mortality rate for the first 10 months of 1948 was 43% of expected as against 45.8% for 1946-47 and 59.5% for 1944-45. Mr. Horne, discussing conservation, said that one of the main causes of lapse is that the wrong contract was sold in the first place, this being costly to both the agent and the company. Mr. Adsit gave a general outline of the agency development program.

Mr. Shoener announced a new family income contract which increases the benefits from \$10 to \$50 per month with a minimum of \$25.

Philadelphia Executive Speaks

The dinner speaker was Walter T. Grosscup, executive vice-president of Lit Bros., Philadelphia, who presented an encouraging post-election forecast of the economic situation. He predicted that at least \$7 billion more will be available for consumer expenditures than in the spring of 1948.

Mr. Grosscup also mentioned the increased market for life insurance and annuities among women because of the marital deduction; for pension trusts because of the Inland Steel decision; and for high premium policies on which the insured can borrow from his bank to help pay the premium, interest on the loan being deductible.

The general agents association elected L. J. Williams of Detroit to succeed A. Stanley Hyde, Philadelphia. Roger Snyder, Columbus, O., was named vice-president and Phil Freifelder, Philadelphia, secretary. Directors elected were Aaron Goodman, Scranton, Pa., J. A. Crowmarty, Easton, Pa., and C. N. Jones, Correy, Pa.

A. L. Joyce, manager of the reinsurance department of Connecticut General, was a convention guest. Special prizes were awarded Mr.



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ONE OF DETROIT'S FINEST

800 ROOMS WITH BATH FROM \$2⁷⁵

Hotel Tuller
FACING GRAND CIRCUS PARK
RICHARD C. HODGES, Manager

Perkinson, Guy Wheaton, Philadelphia, Arland Gibbs, Columbus, O. and Gerald Batt, Easton, Pa. for the best four letters on selling problems.

Capitol Finishes Regionals

Capitol Life held the fourth and last of its regional meetings at Santa Fe, this one being for the southwest division. Home office representatives included C. J. Daly, president; G. A. L'Estrange, vice-president and agency director; Harold B. Wendell, superintendent of agencies; John G. Bauer, 2nd vice-president; J. P. Nordlund, general counsel and Ray S. Alexander, manager of the group department. There were talks and round table discussions of Capitol Life services and present day selling methods. Mr. Daly presided at a banquet.

School for New Agents

T. H. Spindle, educational director of Amicable Life, held a four-day school for new representatives at Waco.

Ohio National will hold its 1950 Builders Club convention at Murray Bay, Can.

ACCIDENT

Three Speakers Scheduled for Texas Sales Congress

The Texas A. & H. sales congresses, to be held at Dallas Dec. 7, San Antonio Dec. 8 and Houston Dec. 9, form part of a series with the one at Oklahoma City, the program for which was announced last week, and will have the same speakers: V. J. Skutt, Mutual Benefit H. & A.; C. B. Stumpf, 1st vice-president, and Wesley J. A. Jones, assistant executive secretary of National Assn. of A. & H. Underwriters, and Earl Putnam, president Canada H. & A. Porter Bywaters, Employers Casualty, Dallas, chairman executive committee of the Texas association, will be general chairman for the congresses. In addition to the three host associations, those at Amarillo, Austin, Corpus Christi, Fort Worth, Lubbock and Waco will participate.

Analyze Sales Factors

Personal analysis of insurance salesmanship factors featured the November luncheon meeting of A. & H. Underwriters of Milwaukee. The motion picture, "Autopsy of the Lost Sale," was shown and members filled out personal analysis cards, after which President A. L. Anderson conducted a round table discussion of the subject.

Malcolm-Smith Is Speaker

George Malcolm-Smith, assistant manager of Travelers' publicity department, spoke Nov. 9 at a luncheon meeting of Hartford Assn. of A. & H. Underwriters.

Hear Okla. Congressman

Congressman Mike Monroney spoke at the November meeting of Oklahoma A. & H. Assn. Monday noon. He gave an analysis of pending social security legislation.

Panel at H. & A. Regional

MINNEAPOLIS. — A panel discussion that covered a wide range of questions having to do with the A. & H. business was the highlight of the regional meeting of H. & A. Underwriters Conference here.

About 45 company representatives from six states participated in the all-day meeting which covered such subjects as insurance regulation, small group and franchise insurance, revisions of standard provisions and recent developments in accident and health reporting forms.

H. P. Skoglund of North American Life & Casualty presided.

CHANGES

Lovvorn with Atlantic as Columbia, S. C., Manager

Robert H. Lovvorn, formerly assistant manager at Columbia, S. C., for Volunteer State Life, has gone with Atlantic Life as manager there. Mr. Lovvorn has been in the life insurance business since 1941 except for a two year period of naval service. He was elected president of the Columbia Life Underwriters Assn. last year and is a past president of the Columbia junior chamber of commerce.



R. H. Lovvorn

Atlantic Advances Lefort

C. Romeo Lefort has been named by Atlantic Life as assistant agency director at Raleigh. Mr. Lefort joined the company in 1947. He was assistant dean of students at North Carolina State college, from his graduation in 1932 until 1941 when he joined the army.

Jennings Goes to Dallas

Phoenix Mutual has named George H. Jennings supervisor in charge at Dallas. He succeeds A. W. Pasbjerg, former manager, who will remain with the company as an agent.

Mr. Jennings joined the company at New York in 1931. In 1947 he was advanced to supervisor and assigned to various agencies. He is a C.L.U.

Ellis Des Moines G. A.

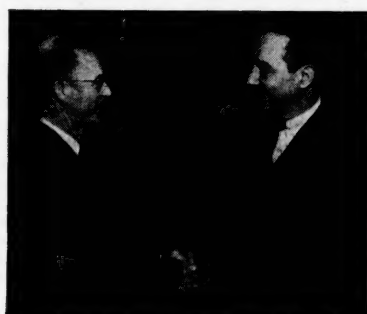
Donald B. Ellis, who has been with the Lester S. Ellis agency of Paul Revere Life and Massachusetts Protective at Milwaukee as district agent for Waukesha, Wis., has been promoted to general agent at Des Moines.

Prudential has opened a Saginaw branch of the Detroit ordinary agency with C. Warren Wagner, assistant manager, in charge.

William Elden, Duluth general agent for Mutual Benefit Life, has added nine Minnesota counties to his territory.

A. C. Midkiff has been appointed district manager for Equitable Society at Midland, Tex.

Suggs Office Manager of Judd Benson's Agency



Frank D. Suggs (left) being congratulated on his appointment as office manager of Union Central's home office agency by Judd C. Benson, general manager of the agency.

Frank D. Suggs has been appointed office manager of the home office agency of Union Central and will have complete charge of all agency operations related to service to policyholders and agents.

This includes the cashier's, new business, and estate departments.

Mr. Suggs joined Union Central in 1924 as cashier at Oklahoma City. Thirteen years later he went to Birmingham. Since 1938 he has been at the home office as a traveling auditor. Mr. Suggs is an alumnus of Texas Christian University and was in the signal corps in the first world war. He was a bank teller and cashier in Texas and Oklahoma before going into life insurance.

N. J. Tax Issue

Under a ruling by the New Jersey supreme court last July, holding that the federal law does not permit local personal property taxation of government bonds held in capital and surplus accounts, several insurers filed appeals with the Essex County (Newark) tax board asking for reductions totalling more than \$5 million in personal prop-

erty assessments. Insurers and the reductions they sought are American, \$2,555,700; Firemen's, \$1,711,269; Commercial Casualty, \$651,700; Bankers Indemnity, \$300,000.

The decision of the tax board was without prejudice, pending action of the state supreme court. City officials indicated that if the ruling were extended to life companies, the city would lose an additional \$4,500,000 in assessments. Life companies now are taxed under a 1945 act based on a percentage of free surplus, less the value of New Jersey real estate.

Ennis Chicago Loan Agent

C. J. Ennis has been appointed loan agent at Chicago for Northwestern Mutual Life to succeed the late Jay C. McCord, with whom he had been associated since May. He has spent his entire business life in the real estate field.

Reinsurance

Do you know that we have been providing automatic Reinsurance of A & H and of D I for Life companies ever since this service ceased to be a "swap" deal between underwriters?

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... a broad range of products means a consistent and balanced income as well as automatic prospecting.

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NEWS OF LIFE COMPANIES

Scranton Life Sells Its Home Office Building

Scranton Life has sold its home office building to the B. R. Realty Co. of Jersey City for the full investment value of \$775,000 as carried in the company's last annual statement.

The company has now disposed of the last parcel of real estate in its investment portfolio, completing a long-range program instituted five years ago. Scranton Life now has an asset portfolio of more than \$13 million, consisting of bonds, mortgages and other conventional investments.

The company has executed a long-term lease with the new owners and the home office will continue in the present quarters. It is expected that the building will retain the name of Scranton Life building.

Old Line Life New Business Shows Gain for Period

New paid for life insurance of Old Line Life of America in the first nine months of 1948 amounted to \$10,817,535, bringing total insurance in force to \$121,849,520. Accident, health and hospital premiums showed an increase of 19% over the corresponding 1947 period, James H. Daggett, president, reported to directors.

Assets increased to \$36,774,874; bond investments totalled \$24,940,883, an increase of \$1,829,574; the mortgage loan account decreased somewhat to \$7,518,761, and policy loans showed a slight rise to \$1,165,070. Disbursements in the 9-month period totaled \$3,325,747, and included \$1,822,262 paid to policyholders and beneficiaries. Death benefits were slightly higher than for a year ago.

Empire Life & Accident is 40 years old this month and is dedicating its November business to President James M. Drake. A new \$500,000 home office building is planned, although construction will wait until the cost situation improves.

Co-op Fleet Is Now Integrated with 3 Units

An integrated insurance fleet, covering automobile, fire and life insurance under the cooperative banner, has now been completed at St. Paul with F. F. Rondeau as general manager. The company units are now American Farmers Mutual Automobile, Mutual Service Life, and Central Mutual Fire. The headquarters are at 1923 University avenue, St. Paul. This was the home office of American Farmers Mutual and an addition has been constructed at a cost of some \$200,000.

The final step in perfecting this organization was the merger of Cooperative Insurance Mutual of Milwaukee into American Farmers Mutual Automobile.

American Farmers in 1944 entered into an agreement for common management with Cooperators Life Assn. of St. Paul, Cooperators Life Mutual of Milwaukee, Cooperators Insurance Mutual and Central Mutual Fire of Superior, Wis.

The merger of the life insurance units into a single institution was completed about a year ago. The executive office of Central Mutual Fire was transferred to St. Paul also in 1947 and now the automobile operations have been simplified into a single company.

Same Conn. Mutual Scale

Connecticut Mutual will continue its present dividend scale through 1949. Computations for dividends to be credited will be on the same basis except for some adjustments on juvenile and term plans. The interest rate of 3 3/4% on optional settlement contracts and 3% on dividend accumulations will be continued.

Install Counseling Center

Prudential has inaugurated a counseling service for the 12,000 home office employees. The counseling center will function with complete autonomy. Information given counselors by employees

will be held in strict confidence and no one outside the center will have access to its files. John A. Bromer, a former Purdue professor, has been placed in charge.

N. W. National Passes \$800 Million Mark

As a result of a record performance during October in honor of Chairman O. J. Arnold, Northwestern National agents put the company over the \$800 million in force mark. During the month they produced \$12,149,218, up nearly \$1 1/2 million. New business on Mr. Arnold's birthday, Oct. 29, totaled \$2,045,973, up \$700,000, and the second time in the company's history that new business has exceeded \$2 million in a single day.

North American Life of Chicago has entered Hawaii and appointed North American Life Insurance Agency, Ltd., of which James J. Tompkins is president; Bert Kimura, vice-president; and Charles Kimura, treasurer.

Eagles National Life of Ohio expects to have its Michigan and Pennsylvania licenses within a few weeks. Besides Ohio it has already been licensed in Kentucky, Indiana, West Virginia, Oregon, Washington and Montana.

North American Life & Casualty has been licensed in Ontario to write life, accident and sickness and also in Virginia.

Mutual Savings Life has been licensed in Ohio.

Black & Decker Manufacturing Co. of Baltimore has borrowed \$3,000,000 from the New York Life on 5-year 3 3/4% notes.

MANAGERS

Coffin Shows How Easy It Is to Grind Axe Today

The half-column story which the New York "Herald Tribune" carried on the formation of the "citizens and policyholders committee" for the purpose of investigating Prudential was cited by Vincent B. Coffin, vice-president of Connecticut Mutual, as an indication of the ever-present need of taking care of public relations no matter how good a job is being done or how little basis there is for criticism. He addressed the luncheon meeting Tuesday of Chicago Life Managers Assn.

Pointing out that the "committee" was obviously a part of United Office & Professional Workers of America's fight against Prudential, Mr. Coffin said such a thing could happen to any other life company. He called attention to how easy it is to promote such adverse publicity and said that, "If somebody has an axe to grind it is not too hard to grind it."

Praises Institute's Work

Mr. Coffin praised the work that is being done in public relations by Institute of Life Insurance and by its president, Holgar J. Johnson, particularly in telling its story to hundreds of newspaper editors all over the country, who now know that they can get unbiased information on life insurance from the institute. Many of these editors will not write an editorial without checking their facts with the institute.

At the company level, Mr. Coffin said that home office people, particularly those outside the agency department, have in the past tended to take a somewhat aloof attitude about policyholders but great progress is being made in correcting this. He cited the work of Mutual Life in particular.

At the agent level public relations is most important, he said, because with the millions of contacts which the field force have each year with the public,

what the public thinks of life insurance in the last analysis depends on what kind of a job the agents are doing.

At the agency level, Mr. Coffin pointed out that the kind of impression and story that the agent puts out is directly dependent on the manager. The latter, he said, should select only men of whom the business will be proud. As to what happens after the agent is inducted, he emphasized the need for more field training. He predicted that as time goes on the companies will pay less attention to volume and to number of new agents brought in and the emphasis will be more and more on how many men are successes and reflect credit on the company and agency.

Mr. Coffin was introduced by James F. Ramsey, Connecticut Mutual, association president.

Chicago Cashiers Elect

The Life Agency Cashiers, division of the Chicago Assn. of Life Underwriters, has elected these new officers: President, Cyril B. Kerns, Manufacturers Life; vice-president, June Freeman, Mutual Benefit; secretary-treasurer, Eleanor Homuth, State Mutual; directors—John De Sutter, John Hancock Mutual; Agnes C. Dohahue, Penn Mutual; Agnes Duffy, Northwestern National; Marcelle Fitzpatrick, Continental Assurance; Joyce Kislak, Mutual Benefit; James Shevlin, Prudential. S. P. Henek is retiring president.

Shay Urges More Training

Companies ought to spend more time in training their agents if they are to have the best type of salesmen, Robert E. Shay, manager of Bankers Life of Iowa, told Twin Cities general agents and managers. "Present methods of hiring insurance salesmen are creating a wastage of the industry's manpower," Mr. Shay said. If the industry is to get the better class of salesmen it must train its own people and give them a longer preliminary test to make certain they are adapted to the work, he said.

Harrington Seattle Speaker

SEATTLE — George Harrington, general agent of Atlas Life, at the luncheon session Monday of the Life Managers Assn. discussed sources of information and methods of selecting agents used by various agency heads. This was one in a series of round tables on the subject of recruiting and training.

Pille Talks at Memphis

Richard E. Pille, Mutual Benefit Life, Newark, addressed Memphis Life Managers Assn.

George D. Covell, manager of Connecticut General at Pittsburgh will speak before the Pittsburgh Life Supervisors Club, Nov. 15 on "Sometimes Logic Is Not Enough."

Seek Trust Council Speakers

Matthew Brown, San Antonio, general agent of General American Life, chairman of the trust council committee of Texas Assn. of Life Underwriters, has sent out a letter asking for names of able speakers who are willing to make talks in cities where trust councils are organized or may be organized.

Institute Regional in Va.

Holgar J. Johnson, president of Institute of Life Insurance, outlined its activities at a regional meeting at Richmond, attended by 75 or more officials of life companies in Virginia and North Carolina. Robert E. Henley, president of Life of Virginia, regional chairman, was in charge of arrangements. His company was host to the visiting officials at a cocktail party after conclusion of the business session.

PROFITABLE AGENCY OPENINGS IN ILLINOIS · INDIANA · MINNESOTA

Several splendid opportunities are available to men who can qualify to represent us in the above territories.

Here are some of the advantages:

1. You work directly with headquarters—the home office—no general agent to account to.
2. Larger commissions.
3. Close Company-Agency relationship.
4. Flexible internal policy—allowing the fullest personal cooperation in meeting unusual situations.
5. A well financed company with an excellent reputation.

Your choice of the following preferred risk policies:

ORDINARY LIFE 20 PAYMENT LIFE
ENDOWMENT AT 65 LIFE PAID UP AT 65
Minimum Amounts \$2,500

For Full Details Write

NORMAN B. ANDERSON, SUPT. OF AGENTS
105 W. Madison Street Chicago, Ill.
An Old Line Legal Reserve Company

RELIANCE MUTUAL
LIFE INSURANCE COMPANY
OF ILLINOIS

NEWS ABOUT LIFE POLICIES

Aetna Life Dividend Scale 11% Higher This Year

Aetna Life has adopted a new dividend scale for ordinary policies in the participating department for 1949. The appropriation is \$2,609,540, or 11% higher than under the old scale. The increase results largely from improved mortality.

The rate of interest to be allowed in the participating department on proceeds of policies left with the company for all payments falling due in 1949 and to be allowed on dividend accumulations will be 2 3/4%, the same as last year, except where a higher rate is guaranteed. The same rate of interest of 2 3/4% will be paid in the nonparticipating department on funds held by the company except where a higher rate is guaranteed.

Illustrations of new dividends for the first five policy years for policies currently being issued (policies issued since May 31, 1947) are:

Ordinary Life				
Year	25	35	45	55
1	1.00	1.00	1.66	3.07
2	2.18	3.91	5.81	8.47
3	2.42	4.17	6.13	8.77
4	2.66	4.43	6.45	9.05
5	2.90	4.68	6.76	9.31

20-Payment Life				
Year	1949 Scale	1949 Scale	1949 Scale	1949 Scale
1	1.00	1.00	1.64	3.05
2	2.31	3.85	5.73	8.40
3	2.65	4.20	6.12	8.74
4	2.99	4.55	6.52	9.05
5	3.34	4.90	6.89	9.35

20-Year Endowment				
Year	1949 Scale	1949 Scale	1949 Scale	1949 Scale
1	1.00	1.00	1.62	3.04
2	2.25	3.79	5.68	8.37
3	2.74	4.23	6.12	8.72
4	3.24	4.68	6.56	9.06
5	3.74	5.13	6.98	9.38

Details of New Modified Par Forms Announced

Premium rates at quinquennial ages for the new participating modified life policies announced by Equitable of Iowa are low initially for three years and thereafter the gross premium is slightly higher than for participating OL at age of issue. Illustrative rates are:

1st 3			1st 3		
Age	Yrs.	After	Age	Yrs.	After
15	11.82	17.59	36	18.17	30.45
20	12.87	19.68	41	20.75	35.90
25	14.16	22.26	46	24.07	43.19
30	15.75	25.46	51	28.61	53.63
35	17.72	29.51

Illustrative dividends are:

Dividends End of Year					
Age	3	5	10	15	20
15	4.00	4.17	4.60	5.08	5.61
20	4.30	4.49	5.00	5.55	6.14
25	4.70	4.92	5.50	6.13	6.80
30	5.14	5.40	6.07	6.79	7.54
35	5.66	5.96	6.73	7.54	8.37
40	6.18	6.53	7.42	8.33	9.24
45	6.74	7.14	8.16	9.18	10.16
50	7.35	8.41	9.57	10.69	11.74
55	9.37	9.91	11.22	12.45	13.56

This contract is issued on convertible or non-convertible basis. The convertible gives insured at end of third policy year option of converting to participating non-convertible term to age 65 for same face amount at original premium rate. It is explained that on the non-convertible, the company will extend certain conversion rights as a matter of company policy.

The multiple protection supplemental agreement cannot be attached to the convertible form, but may be attached to the non-convertible for not exceeding three times face amount of basic policy. This form also is available for substandard risks, in which case an extra premium is charged and extended term insurance option is not granted. Minimum amount of either form is \$2,500.

Issues Two New Contracts

Manhattan Life has a new single premium retirement annuity contract which carries a life income for males per \$1,000 single premium, 120 months certain, at issue age 35, of \$6.94, \$8.70 and \$10.96, for contracts purchased to have

income start at ages 55, 60 and 65, respectively, and for the corresponding contracts for females: \$6.24, \$7.76 and \$9.72. The company also has brought out a life paid-up at age 65.

Reliance Has New Policies

Premium rate at age 35 for the new Reliance Life endowment at age 60 with return of premiums if insured dies before maturity, is \$51.40 per \$1,000, and for the 20 payment endowment at age 60 with return of premiums, the rate is \$59.60. Premium rates per \$1,000 for the child's "Estate and Endowment Builder" policy which also was brought out, range from \$42 at age 0 to \$57 at age 11. All three are participating.

New Return of Premium Line

Annual premium rates for Berkshire's new series of juvenile policies which incorporate return premium to age 5 provision are:

Life		20		20		Life	
P. U.	Pay.	P. U.	Pay.	P. U.	Pay.	P. U.	Pay.
Age	at 50	Life	End. 65	Ben.	Cash	Ben.	Cash
0	13.11	21.83	24.09	48.63	54.76		
1	13.47	22.24	24.55	48.72	58.47		
2	13.84	22.67	25.04	48.83	62.67		
3	14.23	23.12	25.54	48.96	67.44		
4	14.64	23.60	26.08	49.09	72.92		

These policies provide full coverage beginning at age 5, with death benefit prior to that equal to annual premiums paid—excluding extra premiums—plus 2 1/4% interest. There is provision for additional cash payment at end of premium-paying period.

Home of Pa. now has an ordinary life paid-up at age 65 with 19 guaranteed coupons.

Fred A. McMaster, general agent of Ohio National Life at Los Angeles, has passed the \$1 million mark in personal production for the fifth consecutive year. He was the first Ohio National Life man to win membership in the Million Dollar Round Table and is now a life and qualifying member. He is president of Los Angeles C.L.U. chapter and first vice-president of Los Angeles Life Underwriters Assn.

CHICAGO

SUPERVISORS ELECT JOHNSON

Arthur H. Johnson, Penn Mutual, was chosen president of the Life Agency Supervisors Club of Chicago at the last meeting. Other new officers are: Frank Lotito, Prudential, vice-president, and C. A. Fargo, Canada Life, secretary-treasurer. On the board are A. J. Kirshberg, Connecticut General; Henry Gadis, Northwestern Mutual and Clarence D. Smith, John Hancock. Because Mr. Johnson has been ill for several weeks, the group voted to make George Schomberg, Prudential, chairman of the nominating committee, the acting president.

Dan P. Cahill, director of the Purdue course, spoke, indicating that training is only half the battle and that supervision is equally important. He stated that there are several companies and agencies from which the Purdue officials refuse to take trainees because they have found that these men are not supervised adequately when they return from school.

A common mistake is to finance the agent more heavily when he is having trouble rather than to determine what his selling deficiencies are and set him back on his own feet, Mr. Cahill declared. He indicated that the Purdue course has enabled many agencies to free supervisors for more important jobs than training. Where it may cost the general agent \$10 an hour and the supervisor \$5 per hour to train a man on their own time, Purdue can do it for \$1.25. It is not that the Purdue direc-

tors are brighter than anybody else, it is that they specialize in training and do it on a mass basis that enables them to do a better job, he concluded.

TALKS AT AGENTS' MEETING

C. S. Ohsner, associated with Ralph Hoyer agency of John Hancock in Columbus, O., addressed a special meeting of 20 agents and brokers of A. D. Crow agency, Lincoln National, Chicago, on business insurance. Mr. Ohsner is a member of the million dollar round table and specializes in business insurance.


Mr. Ohsner said business insurance prospects are not "found" but created by the underwriter. He stated that all business men are interested in the control and valuation of their own business

and these are the factors business insurance deal with.

GROUP MEN ELECT BURTIS

Lawrence S. Burtis, Connecticut General, has been elected chairman of the group supervisors division of the Chicago Assn. of Life Underwriters. An overflow crowd of more than 40 attended the November meeting and heard Bill Howland, Health & Accident Underwriters Conference, and Robert R. Neal, vice-president and general counsel of North American Accident, discuss tentative plans for an agreement on hospital admissions between the insurance companies and Chicago Hospital Assn., which are expected to be completed and in effect by Dec. 15.

Among the guests at the meeting was



1. Liberal First Year Commissions.
2. Vested Renewals Unsurpassed.
3. Bonus on Quality Business.
4. Personalized Home Office Service.
5. Attractive Retirement Plan.

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is a simple matter!

With a Bankers Mutual Life contract, tailored to your measure. An Agent's and Policyholder's Company "where the Agent reigns supreme".

Bankers Mutual Life Co.
ESTABLISHED 1907
FREEPORT, ILLINOIS



Alfred N. Guertin, actuary of American Life Convention, who commented that whether it is good or bad, group insurance seems to be coming in for an enormous share of legislative attention because of the immense importance it now assumes.

William G. Shean of Massachusetts Mutual, the retiring chairman, has been

appointed to the legislative committee of the Chicago association. This is recognition of the strong desire of both Mr. Shean and the club for the appointment of a company group representative on this committee. The next meeting will be on Feb. 7 when a producer will tell the members what's wrong with group men.

NEWS OF LIFE ASSOCIATIONS

N. Y. State Assn. Backs Proportional Group Ceiling

At the delegate meeting of the New York State Assn. of Life Underwriters, it was voted to endorse the N.A.L.U. statement on proposed revision of the group life definition, but consideration was requested for setting a proportional maximum amount of group insurance an individual may own based on the amount of personal insurance carried. N.A.L.U. had recommended a \$20,000 limitation which was not contingent upon the amount of personal insurance owned.

There were 68 delegates from 24 local associations present at the meeting in New York City. It was announced that the membership of the state association was 5,139, the highest any state ever recorded and that the 2,556 membership of the New York City Assn. was the largest on record for any local group.

Ralph Engelsman, general agent of Penn Mutual in New York City, announced that the New York State sales caravan would visit each of five regions on successive days. The cities to be visited are still to be decided. Delegates voted to have the annual meeting, which marks the 30th anniversary of the association, at Niagara Falls in May.

Delegates to the state meeting met with Life Underwriters Assn. of New York City at a dinner and heard Clifford H. Orr, general agent of National Life of Vermont at Philadelphia, and president of the national association. About 250 attended. Benjamin D. Salinger, general agent of Mutual Benefit Life, was presented with the presidential gavel of the city association.

Agents Run Advertising

The public was urged to buy life insurance from members of the life underwriters association in a quarter-page advertisement run in the Great Falls "Tribune" by North Montana Life Underwriters Assn.

Names and addresses and company affiliation of all active members of North Montana association were included.

Best Sales Ideas Listed for Louisville Agents

LOUISVILLE—Harold P. Winter, assistant vice-president of Union Central Life, listed the three best sales ideas he heard in the last 12 months: "1. Don't go through 'Do you want to retire? At what age? etc.' but say, 'When you come up to retirement, how long do you want your retirement to last?' When he says 'for life' sell him life insurance. 2. In the partnership case, instead of talking about the needs, talk about the crisis. 3. A good prestige builder: 'My company has something that no other company has and that is the services that I can give to you.'"

Mr. Winter also spoke of the three kinds of agents: "The man that would like to write business, the man that must do something and the man that wants to do something. . . If you want to make money it isn't a very good business to be in. You can make scads of it but you've got to have a different attitude to sell this quality piece of merchandise."

N.A.L.U. Sponsors State Conference for Wisconsin

MILWAUKEE—National Assn. of Life Underwriters will conduct a state conference for Wisconsin in Milwaukee Nov. 18 for representatives of the state and local associations. Wilfrid E. Jones, publications director, and Richard E. Imig, Sheboygan, trustee N. A. L. U., will be the moderators, assisted by state officers.

Morning session will be devoted to N. A. L. U. affairs and a luncheon meeting will feature state association affairs with Roman M. Vetter, Continental Assurance, Madison, state president, as chairman. The afternoon session will discuss local association activities with officers outlining their program for the year.

A "bull session" on business insurance and taxation will be held in the evening. H. R. Buckman, Old Line Life, and George Laikin, attorney and tax expert, will be in charge, and Roy Millar,

Minnesota Mutual, will preside at a simplified programming session.

Mid-year meeting and sales congress of the Wisconsin association will be held Friday in charge of President Vetter. W. H. Pryor, Mutual Benefit Life, Milwaukee, national committeeman for Wisconsin, will be chairman of the morning session. Speakers will be Harold W. Gardiner, Northwestern Mutual educational director, "Building New Insurance Clients;" Isaac Kibrick, New York Life at Boston, "Life Insurance in This Changing World," and Dr. J. Martin Klotzsch, president Milwaukee State Teachers College, "The Destiny That Is Ours."

President Vetter will preside at the luncheon at which Commissioner Sondergerger of Wisconsin will speak and L. D. Harkrider, Waukesha, president Wisconsin Manufacturers Assn., will talk on "Reactions to My Recent Trip Abroad."

The afternoon session will have Frank G. McNamara, Waukesha, Old Line Life, administrative vice-president of the state association, as chairman. William Davidson, Equitable Society of Chicago, will discuss "Business Insurance," followed by an open forum. Closing speaker will be Wilfrid Jones, on "Who Will Take the High Road."

Brown Committeeman at Chicago; Seefurth Director

Gerard S. Brown, Royer agency Penn Mutual, was named national committeeman of the Chicago Assn. of Life Underwriters to fill the unexpired term of C. E. Lindstrom, Travelers, who was promoted to Peoria manager.

Mr. Lindstrom's departure also left a vacancy in the Chicago C.L.U. chapter, and Loyd Uebele, Northwestern Mutual, was elected president to succeed him. Mr. Uebele asked to be relieved of his duties as director of the Chicago association, and N. J. Seefurth was elected his successor as a director. He also will be chairman of the education committee which will arrange programs for the Saturday Morning Sales Forums to be held in February.

Nelson Talks at Aurora

The life agent who has a clear understanding of his company's obligations and practices and who will give his wholehearted cooperation is laying a sound foundation for his permanent success, said Harry J. Nelson, agency planning manager of Mutual Trust Life, who spoke before the Life Underwriters Assn. of Aurora, Ill., this week on "Presenting the Case to the Home Office."

The home office underwriting department appreciates a cooperative spirit on the part of its field force, he said. In return it will do everything possible within the limits of good underwriting not only to issue a policy but also to speed issuance so that the writing agent can make early delivery on the policy, Mr. Nelson pointed out.

Va. Conference Nov. 19-20

At the Virginia state conference at Richmond Nov. 19-20, principal speakers will be D. B. Fluegelman, trustee Northwestern Mutual, New York, and James B. Hallett, general counsel of the N. A. L. U. Mr. Fluegelman will also speak at a luncheon-meeting of the Richmond association.

Herbert R. Hill, Life of Virginia, another trustee, also is expected to participate in the conference. He recently returned from a trip to the middle west, serving as moderator at conferences in Kansas, Nebraska, Iowa and North and South Dakota.

Cedar Rapids, Ia.—Bert A. Hedges, Business Men's Assurance, Wichita, spoke at the November meeting.

New Castle, Pa.—Bert L. Murphy, Jr., Equitable Society, Pittsburgh, is addressing a luncheon meeting Nov. 18 on "Double or Nothing."

Washington — District of Columbia Life Underwriters Assn. plans an outing

for next spring, the first in a number of years. W. D. Macy, 3rd, committee chairman, reports plans for a golf tournament, dinner and dance about May 20, 1949.

Buffalo—Daniel P. Cahill, Purdue University, spoke on campus training of agents.

Nashville—E. H. Speckman Jr., of Kentucky Central Life & Accident spoke on "Mission Accomplished."

Washington — Harold J. Cummings, president Minnesota Mutual Life, will talk at the Nov. 15 luncheon meeting at the Mayflower hotel. The Jan. 19 meeting, at the Shoreham hotel, will honor N.A.L.U. President Clifford H. Orr, National Life of Vermont general agent at Philadelphia.

Vernon Holleman is chairman of a committee that will make the award of the Wilner trophy to a man outstanding this year in the life profession.

The Life Underwriter Training Council class is meeting on Wednesdays each week at the Acacia Mutual building. A second such class was anticipated, to meet on Thursdays at the same place.

Boston—Three classes giving the L.U.C.T. course opened Nov. 1, 3 and 4. Classes are being held at the New England Mutual home office. Instructors are Henry M. Maser, Jr., Penn Mutual; Herbert W. Florer, Aetna Life, and Stewart P. Crowell, Northwestern Mutual.

San Claire, Wis.—William Froelich, Old Line Life, Milwaukee, presented new viewpoints on social security, N. S. L. I., and their importance in integrating all factors in a client's total estate.

Wheeling, W. Va.—Clarence L. Peterson, vice-president and general counsel of Ohio State Life, spoke on "The Pay-Off Day of Life Insurance."

Elmira, N. Y.—William H. Harrison, secretary of the underwriting division of Security Mutual Life, Binghamton, discussed "Field and Home Office Underwriting."

Waterloo, Ia.—William E. Markle, Clarinda, Ia., spoke on "Prestige Building." He stressed interest and memory in building up sales. He advocated "Early to bed, early to rise, get up and advertise."

Albany, N. Y.—Joseph D. Herring, Norwood, N. J., research consultant of New York Life, spoke on "Business and Tax Insurance."

Grand Rapids—Homer C. Chaney, director of agencies of New England Mutual, spoke. He also addressed the C.L.U.

Nashville—Thirty have enrolled for the L.U.T.C. course. F. H. Philinz, Travelers, is the instructor and James P. Byrns chairman of the committee in charge.

Madison, Wis.—Wilfrid E. Jones, editor "Life Association News," spoke Nov. 8.

Pittsburgh — Harold J. Cummings, president of Minnesota Mutual Life, will talk at the Nov. 17 meeting at the Roosevelt hotel.

Topeka—Raymond T. Wright, Provident Mutual, Lawrence, trustee of N.A.L.U., will speak at the Nov. 13 breakfast meeting, which is open to all life men of Topeka.

THE UNITY LIFE & ACCIDENT INSURANCE ASSOCIATION

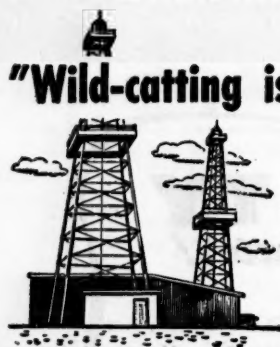
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Commissioner Sullivan, reelected last week, also will speak. Guests will include a number of civic and chamber of commerce officers and directors. The Topeka association boasts of a membership of 60% of all active life agents in the city.

Eau Claire, Wis.—William H. Froelich, Old Line Life, Milwaukee, a member of the Quarter Million Dollar Round Table, addressed the November meeting of the Chippewa Valley association.

Racine, Wis.—E. Lloyd Mallon, Milwaukee, general agent of Massachusetts Mutual, spoke on "Taking Personal Inventory" at the November meeting of the Racine-Kenosha association.

Richmond—About 35 have enrolled for

L.U.T.C. classes with Fred H. Bunnell, New England Mutual Life, as instructor.

Washington, Pa.—Clarence G. Bell, superintendent of Knights Life at Rochester, Pa., spoke on "Rules That Bring Success."

Cincinnati—H. Cochran Fisher, Aetna Life, Washington, will speak Nov. 19 on "The Green Light Toward Financial Success."

Wheeling, W. Va.—"The Pay-Off Day of Life Insurance" was discussed by Clarence Peterson, vice-president and general counsel of Ohio State Life. Andrew B. Chison, Ohio State Life, association president, president, and C. Loring Van Camp, program chairman, presented the speaker.

received 35,995 votes and his opponent 18,848. It appears that the other counties will go approximately the same way as these 13.

KANSAN IS REELECTED

WICHITA—Frank Sullivan, Kansas insurance commissioner, was reelected to his second term with a good margin over the runner up, Democrat Robert G. Mosier of Manhattan. Other contestants were George F. C. Hoerner, Progressive, and Ewald A. Seltmann, socialist.

DAVID FORBES IS SAFE

LANSING—Defeat of Michigan's Republican governor, Kim Sigler, in all likelihood will make no change in administration of the state insurance department. Largely due to the efforts of Michigan Assn. of Insurance Agents and other admirers of Commissioner David A. Forbes, the 1947 legislature enacted a law fixing the commis-

sioner's term at four years and Gov. Sigler reappointed Forbes under that statute. Mr. Forbes is the prospective president of National Assn. of Insurance Commissioners.

It is considered most unlikely that G. Mennen Williams, the new governor, would attempt to unseat Mr. Forbes merely to provide a patronage place for a Democratic aspirant. All other officials in the department, with the exception of the first deputy, are under civil service and may not be removed except for cause and after hearing.

Among the Republican legislators defeated was Rep. Louis J. Freye, prominent Muskegon agent and long-time member of the house insurance committee. The senate insurance committee chairman, Sen. Robert J. Hamilton, Battle Creek agent, did not seek reelection. Leo H. Roy, Hancock agent and a Republican, was among the successful candidates for the house. Rep. Thomas

Several Commissioner Changes Expected

(CONTINUED FROM PAGE 1)

insurance and a new state fire marshal the first of the year, together with a new head of the state department of commerce, of which the insurance division is a part. Insurance men are speculating on who will be the new superintendent, but few names are being mentioned openly. In the previous Lausche administration Walter Dressel, now associate counsel of Motorists Mutual of Columbus, was superintendent. In the campaign this fall many local agents campaigned for Mr. Lausche. Insurance legislation will be watched with more than passing interest. It has been charged that certain insurance legislation favored by insurance organizations was defeated two years ago at the instance of the Herbert administration. Undoubtedly bills covering this legislation will be introduced at the coming session, which will open in January.

Friends of John F. Cantwell of Youngstown, minority leader of the house of representatives, had proposed him for insurance superintendent in the event of Lausche's election. Now, that the house is to be controlled by the Democrats, it has been suggested that he run for speaker of the house instead. Cantwell is an insurance man. James Carney, a member of the house from Cleveland, also has been proposed for speaker. E. H. Hanhart of Dover, an insurance agent and chairman of the Democratic state committee, also has been suggested in connection with the superintendency of insurance, but it is doubtful, it is said, that he would accept the position. Charles R. Scott, a member of the state fire marshal's office, has been mentioned for state fire marshal. He has been active in the governor's fire prevention movement.

ALLYN HAS CLAIM TO 1951

HARTFORD—Election of Democratic Governor Chester Bowles is expected to have no immediate effect on Col. W. Ellery Allyn, insurance commissioner, long identified with the Republican party. Several other commissions are due to be vacated in the near future, and presumably filled with Democrats. But Commissioner Allyn, now in his second four-year term, is sure of his office until July 1, 1951, if he wants it. He has given no indication that he doesn't.

Commissioner Allyn was first appointed by Raymond E. Baldwin in 1943. He was renamed to the post last year by the late Governor James L. McConaughy.

Mr. Allyn was in St. Francis Hospital here for a few days recently with an attack of low blood pressure. He was taken to the hospital one night after becoming ill at his room in Hotel Bond. His condition was not serious at any time, according to his physician.

McCORMACK TO RETIRE

NASHVILLE—James M. McCormack, Tennessee's insurance commissioner for the last 11 years, announced to those attending the convention of Tennessee Assn. of Insurance Agents, four days before the state election brought in a new administration headed by Gordon Browning, that he will not

be up for reappointment. His term will not end until the administration changes Jan. 20. Mr. McCormack is a past president of National Assn. of Insurance Commissioners. He is also commissioner of banking. Mr. McCormack came to Nashville from Memphis where he was associated with a general insurance agency. His future plans have not been revealed.

Walter Britton, a life insurance agent at Knoxville, is being most frequently mentioned as the probable choice of Gov.-elect Browning for insurance commissioner. Many doubt that Britton will accept if offered the place.

IOWA SITUATION

DES MOINES—Former Iowa insurance commissioner Charles R. Fischer is expected to play an important part in Iowa's next administration, having served as campaign manager, both in the primary and general election, for Gov.-elect William S. Beardsley.

Beardsley, a Republican, won out although Iowa went for President Truman and elected a Democratic U. S. Senator. Fischer is given credit in a large way for the success of Beardsley.

Fischer was replaced as insurance commissioner on July 1, 1947 by Sterling Alexander who was appointed by Gov. Robert D. Blue, who sought reelection but was defeated by Beardsley in the primary. Alexander is serving a four-year term so that he will not be affected by the outcome of the election.

Beardsley is not expected to make any reorganization of the insurance department, although reports have been circulated of a possible consolidation including the insurance department.

FIFTH TERMER IN WASH.

SEATTLE—Commissioner William A. Sullivan of Washington has been reelected for a fifth four-year term. The vote reported for 3,218 precincts out of the 3,457 showed 381,608 for Sullivan; 292,424 for his Republican opponent, Fred C. Becker and 12,978 for L. C. Huntamer, Progressive party. Sullivan was first elected in 1932.

FIFTH TERM FOR HOLMES

BUTTE, MONT.—For the office of state auditor and ex-officio commissioner of insurance, John J. Holmes, the Democratic incumbent, was reelected by about 60,000 votes. The vote in 1,067 of 1,142 precincts gave Mr. Holmes, 129,578; E. J. Mo, Republican, 69,674.

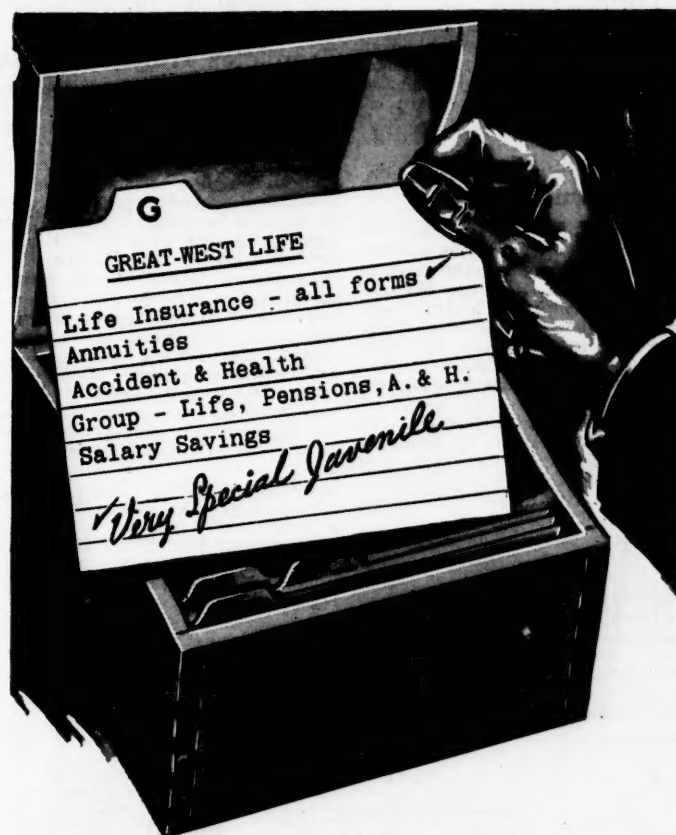
This will be Mr. Holmes' fifth term as state auditor.

The Montana state legislature will organize in the house by the Democrats, with the Republicans having control of the state senate.

KRUEGER REELECTED

BISMARCK—The North Dakota election for insurance commissioner apparently was heavily in favor of Walter Krueger, the Republican incumbent. The election bureaus have quit tabulating returns and the final vote will not be known until after the canvassing board meets.

In 13 counties out of 53 Mr. Krueger



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LUTHERAN MUTUAL LIFE INSURANCE COMPANY
Waverly, Iowa

Morgan, Battle Creek life agent, also a Republican, was reelected.

HARRINGTON SAFE TO '50

BOSTON—The ousting of every state official by the recent Democratic landslide in Massachusetts will probably have no immediate result on the position of Commissioner of Insurance Charles F. J. Harrington, inasmuch as his third term in office has still two years to run.

He was appointed by a Democratic governor, in 1938 reappointed by a Republican governor and given a third term by a Democratic governor.

Commissioner Harrington has many stalwart friends among the Boston insurance fraternity and they may be relied upon to exert all possible pressure for his reappointment. In fact it is understood a very definite campaign has already been started to bring about his reappointment two years hence.

SEE NO CHANGE IN MO.

ST. LOUIS—Forrest Smith, the Democratic candidate for Missouri governor, won by a majority well over 200,000, and it appears that Insurance Superintendent Owen G. Jackson, a Democrat, will continue in that position.

Altmeyer Tells Insurance Plans of Administration

PEORIA—Arthur J. Altmeyer, social security commissioner, substituting for Oscar R. Ewing, federal security administrator, told Illinois Welfare Assn. meeting here, that health insurance is the keynote in the national administration's 10-year plan to raise health standards of the nation.

"National health insurance works in England and it would work here," he declared. "Attacks on national health insurance could be summarily dismissed as ridiculous if they were not backed by powerful forces in the United States whose interest is to preserve the status quo in the medical profession."

"Fortunately there is an increasing number of younger, more socially minded physicians as well as many older and more thoughtful doctors, who see the problem clear in terms of national health."

"Even if we should agree that every doctor in the country is unalterably opposed to the system, I should like to ask this question: Which is more im-

portant—the personal, selfish business and professional values of 180,000 to 190,000 practicing physicians in this country or the health and well-being of 70 million of our people who cannot possibly afford to pay their fees."

Northern's Contest Winners

In the 60 day contest of Northern Life of Seattle, top scorers in each of the seven divisions were A. H. Tuttle, Yakima; A. L. Pearson, Seattle; F. D. Addis, Oakland; R. E. Beaty, Jr., Des Moines; J. D. Trousdale, Seattle; M. E. Sweazey, Alaska; and P. M. McLeod, Seattle. Each received an expensive watch. The runner up in each division received a \$50 bond. Bond winners were R. A. Wood, Oakland; T. C. Walker, Alhambra; F. E. Fowler, Portland; J. O. Patterson, Klamath Falls; P. E. Schwabenland, San Joaquin Valley; W. L. Martin, Salt Lake City; and G. I. Morrow, Jr., Ventura.

Mr. Sweazey was the top producer with \$260,000 and Mr. McLeod led in applications with 57.

Completes Training School

Guarantee Mutual Life has completed this year's home office training school for new men. The two-week course included 14 field representatives who studied the company's life insurance sales plans and the new accident, sickness and hospitalization contracts. Faculty consisted of Vice-president A. B. Olson, Agency Vice-president R. E. Kiplinger, and Agencies Director Charles P. Gish. "Guarantee Mutual News," field magazine of the company, has been enlarged to an 8½ by 11 inch size with a new format and several innovations. A women's page feature is designed to appeal especially to agency wives who are encouraged to send letters and household hints for publication. The magazine is now being sent to homes of all representatives to increase family interest.

William J. Miller, legless war veteran, was defeated in his latest bid for a Congressional seat by A. A. Ribicoff of Hartford. Mr. Miller, who has three times been elected to Congress from Connecticut's fifth district, including Hartford, has consistently been defeated in presidential election years. Despite his disability, he drives a specially designed car, is active in Legion activities, and runs an insurance business at his Wethersfield home as special agent for New York Life.

Life Group Wants Conversion Figures

(CONTINUED FROM PAGE 1)

players, is that the cost of the insurance would be less. An employer with 15 employees cannot now purchase group, Mr. Hohaus said. He can get individual term for his employees, but runs into the question of insurability. This subdivision keeps the door open for sound plans for employers, all of whom do not have 25 employees.

Another Cost Question

Mr. Harrington asked if it wouldn't increase cost to include a provision that if an employer drops out of an association he can still continue his insurance.

Not if there is a trustee, Mr. Hohaus said. The policy is issued to it, and the employer's relationship with the trustee remains unchanged.

Mr. Harrington said he had reservations as to trade association groups. The more penurious employer's ideas on the amount of insurance may prevail. Competition between employers could influence the benefits in a welfare program. The tendency would be to follow the limitations imposed by the employer operating on the thinnest margin of profit.

To this Mr. Hohaus replied that the larger employer wouldn't likely come in on an association plan. He can have his own.

The memorandum filed by one company pointed out that it is possible for policyholders to be greatly benefitted by group, but it is equally possible for them to be cruelly penalized, if, when old, they lose the group because they lose their jobs. Group, Mr. Harrington said, should not be a substitute for individual insurance.

Mr. Hohaus said his company's agency force is constantly selling individual insurance to group certificate holders. There is also development of group permanent insurance, which has been held up somewhat by the federal tax situation, and salary allotment plans.

When you talk to group insured, they don't know their rights and benefits under group, Mr. Harrington said. They think insurance goes on to take care of their beneficiaries. He wondered at the resistance of life companies to getting the names and addresses of the 17,000,000 group policyholders and selling them individual permanent insurance.

Relies on Agency Force

Mr. Hohaus said that his own sales force knows these people, and places its reliance on the 30,000 to 40,000 agents who are out selling every day.

Mr. Harrington explored employee pay all plans. The industry said few of these work, but he plugged for them to meet a depression when the employer is no longer able to make his contribution, and he asked why companies want to prevent employee pay all plans by law.

Defends Company Position

Mr. Shield explained that where an employee is making the entire contribution, the younger men can buy term cheaper and drop out, which puts an increasingly heavy load on the few who remain. Mr. Hohaus added that experience with labor unions under which the employees, theoretically paid the whole cost was bad and the companies generally won't write them now.

E. B. Whittaker, vice-president of Prudential, said that under subdivision (4) few national associations are written or will be written but there are a number of state associations that have proved satisfactory. Prudential has 12 state automobile associations. He said it is time the industry placed more coverage on the American public. His company wants to extend group wherever it can. The national election will result in a very strong drive for a national health program, and the companies should sell as much as they can at the state level. Companies can satisfactorily write associations if there are a reasonably large number of people involved.

The arguments of John A. Lloyd,

vice-president of Union Central, against (4) were that the subdivision has been used as a subterfuge for writing trade association and professional groups. It permits unnatural groups to be formed in a manner contrary to conservative principles of group underwriting. It permits abuses which will work adversely on policyholders under such groups and against agents and the companies. He suggested that groups in collective bargaining under the Taft-Hartley act might have a specific paragraph in the definition in the uniform law. For companies that want to provide group on combinations of employers he suggested a separate paragraph written to include proper safeguards, including trusteeship.

Standard Provisions

The industry opposed an extension of the conversion privilege because of the increase in cost that it would entail. The industry faces increased competition from self insured plans of employee welfare benefits.

The committee, however, and in particular Mr. Harrington, steadily insisted upon the 3-3 formula.

Albert Pike of the Life Insurance Assn., speaking for that group and the American Life Convention, said that while there was wide difference of opinion of subdivision (4), there is none on extension of conversion privileges. The companies are against it. The employer would have to pay the difference, and many of them are likely to use this as an excuse to drop the group coverage, especially when going gets a little rough.

Doesn't Take Care of Employee

This attitude, Mr. Harrington charged, isn't taking care of the problem of the employee. He said high powered group representatives can sell the employer on the higher cost that an extension in conversion privilege would entail. Conversion should be provided at the end of one year. On the five year basis, it is possible that a man never would get the conversion privilege, if he were moving from job to job and group to group.

Mr. Pike pointed out that an employee loses his insurance not because of the lapse of the master policy but because of the lapse of the job. If he loses his job he has an unlimited right to convert. If the master policy lapses, it is possible for the cost to be placed on the employees temporarily.

The cost of conversion is high because of the anti-company selection of converters, Mr. Pike said. Only those to whom it means most will convert. With too much more cost, employers are going to self insurance, under which there is no premium tax or conversion privilege. Employers are asking why they should pay extra for employees not even with the companies anymore.

The right to convert to term would probably increase the cost to about twice as much as at present under group insurance, Mr. Pike said, and his figures were borne out by Mr. Hohaus.

No Radical Action in Minn.

ST. PAUL—Radical insurance legislation is not expected at the coming Minnesota session, as the conservatives claim they will again be in control of both houses.

Aluminum Co. of America has completed negotiations for a \$60 million loan, \$55 million of it from Metropolitan Life on 3% notes maturing Dec. 1, 1973. The \$5 million would be borrowed from the employees retirement plan. First Boston Corp. negotiated the loan.

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SUN LIFE ASSURANCE COMPANY OF CANADA

Established 1865

Reports Are Filed on Group Covers

(CONTINUED FROM PAGE 1)

issued under subdivisions (1) and (4). No position was taken on the general question of whether there should or should not be dollar limitations on the amount of group which may be placed on any one life. The change suggested would mean that the \$20,000 limitation should be applied to the combined coverage available to an employee, both under a group policy issued to his employer and under any other group policy issued to the trustees of a fund established by the employer in conjunction with other employers, if this is permitted.

Another change would be from 45 to 31, in regard to the conversion privilege. The customary period for conversion has been 31 days since the inception of group life and the companies regard it as desirable to retain it because it is more natural than 45 days and consistent with the grace period for premium payments. Also, the conversion privilege carries with it by the terms of the standard provision (10), free insurance protection during the period allowed for conversion.

Another change was suggested that would remove the ambiguity from subsection (b) of standard provision (8) as to whether a certificate holder under maturing endowment insurance is to receive both the proceeds of this insurance and the right to convert to an individual policy. Obviously he should not have both, according to the report.

Oppose Extension of Conversion

The A.L.C.-L.I.A. report also considers the question of increasing conversion rights available to certificate holders on lapse of the master policy, extending this privilege to term plans, and giving a reminder notice of conversion privilege to certificate holders on termination of insurance.

These questions should be considered in the light of the fact that cost considerations are of vital importance in group insurance, the report states. The success of group has been due largely to its low cost, and employers have been willing to adopt it because it provides simple, basic benefits with economical operating methods. Mandatory increases in cost because of legislation requiring extra benefits or service would hamper the ability of the companies to persuade employers to adopt and continue such plans and would undermine the power of group to perform an expanded service to the public.

Employers would tend in greater numbers to self insured methods to meet the increasing needed demand for welfare benefits for the workers. Group insurance still has to compete with a variety of welfare plans and there is today in some quarters a greater sentiment in favor of uninsured plans than is generally realized.

Standard provision (9) requires that if the master policy terminates, a person insured for at least five years is given the privilege of converting that part of his group not immediately replaced by other group, up to a limit of \$2,000. The commissioners committee tentatively decided to recommend increasing the limit to \$4,000 and shortening the time from five to three years.

Urges Caution

Liberalization of conversion privilege should be approached with great caution, the report states. Conversion on termination of the master policy poses problems different from those affecting conversion on termination of employment. The cost of permitting a large number of conversions occurring all at the same time may be quite severe, especially if the terminating group policy was not in force long enough to build up an adequate contingency reserve. Furthermore, the conversion right upon termination of the master policy is open to abuse by some employers who if personally uninsurable may be tempted, to

the detriment of most of their employees, to lapse group policies and purchase new group policies in order to build up a considerable volume of converted insurance on their own lives.

The present \$2,000 limit on the amount has been adequate to protect the whole coverage on the great majority of employees. An increase in the dollar limit would affect only a minority consisting of the more highly insured employees.

Asks for Extension Limit

Consequently, the report approves of the present right of conversion under standard provision (9). If any change is made, it ought not to exceed \$3,000 after three years of coverage; a greater liberalization would tend to increase cost without benefiting more than a small minority.

Standard provision (8) requires that employees be given the privilege of converting group life in certain circumstances to individual policies, except to term. Undoubtedly, there are instances where privilege to convert to term would be appropriate, but the report concludes that it would be a mistake to require that this privilege be given, as it imposes an additional cost burden through adverse selection which would encourage self insurance, which does not have conversion rights; the privilege would not be suitable for most of those who would use it, and the problems that arise out of layoffs can be and are being handled satisfactorily in other ways.

The memorandum presented by Mr. Hohaus for the 13 companies urged adoption of the suggestions in the first part of the A.L.C.-L.I.A. report, believing them the wisest present day approach to the problem of multiple employer group life insurance.

The memorandum admitted that since adoption of the model bill subdivision (4) has been used for purposes not originally contemplated, particularly insuring members of professional associations and employees, and employees of correspondent banks, and certain plans covering employee members of trade associations.

The original purpose of this subdivision, however, should be kept in mind—to insure death benefits under a common welfare program paid for by employers, such as under a trust fund established pursuant to a collective bargaining agreement or for other labor relations reasons. Where no collective bargaining agreements are involved, a group of employers in the same industry and locality may want to adopt a single integrated group plan, and such situations should be provided for. The memorandum emphasized the desirability of making group available to small employers.

Object to Percentage

The memorandum objected to a percentage requirement—50%—as to the total number of eligible employers, if the plan covers at least 600 persons at the outset, which is also provided in subsection (c) of subdivision (4). The reasons given were that many employer members of large associations did not return questionnaires on proposals for an association group, especially if they already have a group plan of their own. Thus it would be impossible to tell what percentage of employers those in the plan represented. Employers might have other arrangements for providing life insurance for employees. This could not be determined in a practical way. In the larger employer associations enrollment continues over a considerable period of time, and if it were necessary to extend this enrollment period, the plan could not be effective and there might be non-payment of claims which would be embarrassing. Experience has proved that such groups can be soundly underwritten regardless of a percentage requirement.

There might be a limited percentage requirement, for example 25%, for groups totaling more than 600 insured persons, and some companies would not object if a 50% percentage requirement were stipulated for all employer association plans. There also might be graded percentage for plans covering less than 600 persons, such as 75% if less than 300 and 50% if between 300 and 600, although this complicates the handling.

The N.A.L.U. comments and suggestions largely repeated those given the committee at Philadelphia in June. A large segment of the members would like to see subdivision (4) eliminated altogether and cases made necessary by collective bargaining agreements qualified under some other portion of the definition. In some states, it is expected, N.A.L.U. members will use their influence in favor of the first three subdivisions but will oppose the fourth.

Adds to Subdivision (1) Change

To the N.A.L.U. suggestion that subdivision (1) (a) be reworded to exclude the proprietor or partner from insurance unless he is actively engaged in the business, Mr. Rutherford added "stockholder or director." The N.A.L.U. believes that participation in such plans by persons not actively engaged in the business is wrong in principle.

The agents also recommended a change in paragraph (d) of subdivision (1) that would make it clear that the \$20,000 limitation is applicable to the combined coverage available to any employee under any plans in which he is eligible to participate.

Mr. Rutherford reiterated the objection to qualification of trade and professional association cases under subdivision (4)—they lack cohesiveness, endanger underwriting safeguards, present administrative problems, and because of lack of service are not apt to be permanent.

As to paragraph (c) of subdivision (4) N.A.L.U. would like to insert a 75%

participation requirement—primarily to eliminate the professional association coverage and perhaps others of objectionable types. Also, insurance should not be made contingent on employer's continuance of membership in an association. Another recommendation was to prohibit insurance on any person in excess of three times the minimum amount provided to any other person under the policy. Mr. Rutherford asked for a condemnation of correspondent bank cases, if such cases do qualify under this subdivision and if a proper wording to exclude them cannot be developed.

Ewing Sees Good Prospects for Compulsory Health Plan

WASHINGTON—Oscar R. Ewing, federal security administrator, has stated that return of the democratic administration and Congress to power greatly increases the prospect of positive action on President Truman's 10-year national health program, including basically national compulsory health insurance and greatly expanded medical services. Health insurance would be financed initially by a tax on workers' earnings up to \$4,800 a year, according to the plan, with the prospect of government contributions later on from general revenue funds.

Social Security Prospects

Mr. Ewing sees prospects for favorable action on extension of social security coverage to groups now excluded, coupled with increased benefits, both of which have been recommended by the President and FSA.

Mr. Ewing said the incoming Congress will "undoubtedly be more sympathetic" than the expiring Congress to the program for creating a cabinet department of health, security and education. Bills to establish such a department were introduced by several members of Congress during the past two years.

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(CONTINUED FROM PAGE 2)

petition and false and deceptive practices, including advertising.

It is under that power that FTC is surveying the mail order situation. President Truman last winter asked for \$100,000 for FTC to work on insurance matters. He got \$10,000, which was limited to mail order matters. Whether he will ask for more money for FTC activities regarding insurance remains to be disclosed by the new budget for the fiscal year beginning July 1, 1949, which will not be released until January.

If the President wants more money for FTC-insurance matters, it is believed he would have a good chance of getting it, in view of congressional control by his party. However, it is doubted that FTC could have done much more up to date than it has, even if it had gotten the \$100,000, which was requested for study and analyses of state insurance laws and regulations, though the study might have been speeded up through employment of more personnel on the task.

Industry observers further claim that state commissioners can control and regulate mail order companies' activities even outside their respective state boundaries. Commissioner Kavanaugh of Colorado reportedly claims he can control Colorado mail order companies' operations outside that state by imposing

certain requirements upon them and can protect Colorado citizens against the solicitation of outside insurers by gaining the cooperation of local press and radio.

Prospects for far-reaching health insurance and social security legislation are considered good by supporters of such measures and bad by insurance interests, particularly with reference to health insurance. Some of their representatives see nothing to stop passage of the Wagner-Murray-Dingell health insurance bill, or something similar, if the Democratic leaders choose to press the issue. While there is Republican opposition to this measure, some observers doubt that its representatives will fight too hard against it. Besides repeated recommendations by the President, national health insurance was endorsed not very long ago by Oscar Ewing, federal security administrator, in reporting on the National Health Assembly held last May.

Liberalizing Social Security Bills

There have been many liberalizing social security measures before Congress in the last year or two. One of these is another Wagner-Murray-Dingell bill, which proposes to set up an over-all, integrated social security program, including disability coverage and cash sickness, as well as expanded OASI,

unemployment compensation and public assistance.

FSA and the social security advisory council, as well as the President, have recommended OASI expansion to cover workers' groups now excluded, including self-employed persons, together with disability eligibility and other features. There is possibility of repeal of the Gearhart act, which would then leave the way clear for setting up a new definition of employee for purposes of the social security act. This would bring into the system life insurance agents who are now treated as independent contractors.

While there is potent backing for more social security and social insurance legislation, some of it may run into a stubborn snag in the person of Rep. Doughton, ways and means committee chairman, known as "Muley Bob". His committee delayed social security legislation in the early days of the New Deal and cut it down considerably from the broad program originally proposed. Senator George, prospective finance committee chairman, is likewise a southern conservative. They may be expected to oppose what they regard as too radical social security and health insurance legislation.

On the other hand, congressional labor and welfare committees, which have handled health insurance in the past, will probably have a more liberal attitude toward it.

Life Insurance Needs to Interest More College Men

Life companies would like to have more college graduates represent them in sales work, but have trouble hiring them, Frank S. Endicott, associate professor of education and director of Northwestern University's bureau of placement, told Life Insurance Agency Management Assn. at its meeting at the Edgewater Beach Hotel, Chicago. He said undergraduate men on the college campus today have an inadequate understanding of life insurance as a career.

"There is a widespread feeling that the life insurance salesman is underpaid, and that insurance sales offer a difficult field in which to get started," Prof. Endicott declared. He told of a survey of more than 500 undergraduate men in the school of commerce at Northwestern. Only 5% indicated that they would be interested in selling life insurance after graduation. Another 15% felt they might like to sell life insurance after they had gained experience elsewhere. It was found that half of the group of 500 had had done some kind of selling and had been reasonably successful. Of the experienced 250, 72% indicated that they would like to sell, but not insurance.

He said it is important that life companies find means of presenting to the public generally, and to high school and college students specifically, the modern approach to the selection and training of life insurance salesmen. His suggestions were: Send only well-trained personnel men to college campuses for recruiting purposes; take advertising space in college publications to present the true picture of life insurance as a career, and take steps to see that insurance skills are taught in colleges and universities.

"It seems that insurance is not being taught to the extent that the size of the business warrants," he said, one possible reason being the lack of qualified instructors. One solution, he said, would be to "loan" successful insurance executives, at or near retirement, to college and university faculties, and to subsidize their salaries if necessary.

Heads New Waco Office

Prudential has opened a second office in Waco, Tex., with R. A. Griffiths in charge as district manager. He joined the company at Ardmore, Okla., in 1936 and later became assistant manager at Austin. He was in the navy during the war. Assistant manager is N. A. Vick, a 1947 graduate of Texas A. & M. who joined Prudential this year.

FRATERNALS

Dr. Conway Dies: Successor Is Dr. Richner

Dr. Bernard P. Conway, supreme medical examiner of Royal League, died at Chicago. He had held his post and been a member of the society's managing committee since 1942. He was graduated from Chicago College of Medicine & Surgery in 1914. A few years ago he retired as chief surgeon in Chicago for Hartford Accident, whose examiner he had been for over 30 years. Besides his private practice, he owned and operated Chicago Hospital.

He was a major in the other war in France and was wounded in action at Chateau Thierry.

Dr. Edward Richner of Shaker Heights, O., has been appointed supreme medical examiner of Royal League to fill the vacancy.

Ben Hur Places New Issue on C.S.O. 2½% Basis

Ben Hur of Crawfordsville, Ind., has based all its new issue on the C.S.O. 2½% table. The decision was made by the executive committee and ratified by field representatives at a three-day conference held recently in the home office. The society already is issuing new certificates on the new basis but is writing the same types as heretofore.

In the adult department, 30 year endowment, 30 payment life and life paid up at age 65 have been added, and in the junior department, 20 year endowment. Ben Hur also now will issue a payor benefit agreement for junior permanent plan certificates, excepting the junior term to age 16.

Society's Officers Speak

MILWAUKEE—Mrs. Frances Buell Olson, national president, and Mrs. Clara Bender, secretary, of Degree of Honor, St. Paul, were among speakers at a district convention of the society here Monday. Arrangements were in charge of Mrs. Agnes M. Kane, Superior, Wisconsin, state director.

W.O.W., Omaha, Records

J. F. Fooshe, Jr., of McAllen, Tex., was national individual volume leader of W.O.W., Omaha, in October with \$106,000. Alabama under Manager J. N. Cochran led among the state jurisdictions in the month with \$736,100 and North Carolina under N. T. Newberry, state manager and son of Farrar Newberry, W.O.W. president, second with \$606,000. A. E. Ledoux of Louisiana, headed the Top Producers Club for January-October, inclusive, with \$516,600.

Fellowship Assn. Gathering

Royal League's Fellowship Assn. held its annual meeting in Chicago. Work of the society's tuberculosis sanatorium at Black Mountain, N. C., was discussed and a free will collection for 1948-1949 netted over \$2,300—a record total. Many improvements have been made at the sanatorium and it is equipped to render even better service to patients than in the past. Royal League has offered the facilities to member of other fraternals who are afflicted with pulmonary tuberculosis.

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SHARON, PA.

Union-Life Company Relations Blistering

(CONTINUED FROM PAGE 5)

out that it has already answered those charges, and no reply by the company therefore is necessary.

Of the five top officers in the union, John Stanley, secretary-treasurer, has resigned on the ground that his principles forbid him to acknowledge the requirements. B. J. Mooney, regional director in northern New York, succeeds him.

Abolish Office of Vice-President

The three vice-presidents of the union will not be required to file the affidavits because the executive board has voted to abolish the office of vice-president. The three will become division heads.

The decision to comply with the non-Communist requirement of the law, it is said, came after the union was threatened with loss of a number of members because of its officers' refusal to comply. The action by the executive board is expected to be approved by local unions. Only the president, James Durkin, one of the plaintiffs in the million-dollar suit against Prudential, should sign the affidavit, of those who previously had declined to do so.

Plaintiffs in the libel suit are Mr. Durkin and Leon W. Berney, UOPWA vice-president. They charged that they were injured in their credit and reputation and suffered pain and mental anguish to the extent of \$500,000 each.

The principal charges are that on or about Oct. 5 the defendants "maliciously published, mailed and distributed to each industrial agent in the collective bargaining unit covered by the union's agreement with the company throughout the United States" a letter and that it caused the material in the letter to be published in the press that circulates over the country.

"Alleged Political Views"

With the circulation of the letter and the publicity, according to the complaint, the defendants intended to state that the plaintiffs were derelict in their duties and responsibilities as officers of the union; that they had planned and attempted for their own personal gain to secure renewal of the union's contract without a material improvement in working conditions of the agents; that the plaintiffs informed the defendants as to the alleged political views and affiliations of officers and members of the union; and that the plaintiffs were willing and intended to deceive members of the union contrary to the mandate of its membership and to report fraudulently the results of a union referendum on the contract.

They charged that the matter published is false and defamatory and that the defendants knew that the material was untrue, and that in publishing it they were actuated by malice and wrongfully intended by such publication to injure the plaintiffs.

Outlines Factual Background

Attached to the complaint as an exhibit is the letter to which the complaint refers, which was allegedly signed by Orville Beal. That letter, as it appears in the union's exhibit, states that "a few days ago I told you that the company would not bargain with the UOPWA. One thing you may be asking is: How does the company know there are Communists among the national officers of UOPWA? That is a fair question. Rest assured that the company has plenty of facts, but meanwhile there is no reason for you to be in doubt, we have the answers direct from two of their own national officers."

"Leon W. Berney, vice-president of the UOPWA, asked for an interview at the home office Aug. 19. He told us that three of the national officers were party members and could not sign a non-Communist affidavit. A few days later this was confirmed by James Dur-

kin, UOPWA president, in another conversation with us at the home office."

The letter further states that the union ment went to the home office in June and "asked us to agree to the automatic renewal of the old agreement for another year." They offered to let this take place without any changes in compensation or working conditions, with "a vague proposal that there be a discussion of these matters at an indefinite date in the future."

President Durkin of the UOPWA attacked Metropolitan Life, in a communication addressed to Vice-president R. R. Lawrence. It is interesting to note that Mr. Durkin emphasizes in this communication that compliance or certification under the Taft-Hartley law is not mandatory for a union in order to bargain.

Many Company Courses Are Disapproved in California, Los Angeles Managers Hear

LOS ANGELES—California department has given final approval to the training courses of 44 life and disability companies licensed in the state, provisional approval to 55, and has disapproved 32 companies' courses, Kellogg Van Winkle, Equitable Society, member of the legislative committee of life Insurance Managers Assn., reported at the first fall meeting. He said 131 companies out of 382 licensed have filed courses.

Mr. Van Winkle explained department bulletin 84 relative to issuance of licenses and said it was probable Commissioner Downey would modify bulletin 82 on licensing.

Russell Hoghe, vice-president California Assn. of Life Underwriters, reported Dec. 16 had been fixed as the date for the biennial legislative dinner, and the president of University of Southern California will be the speaker.

Questions of conferring with other insurance organizations relative to arriving at a uniform number of holidays to be celebrated by the industry, and of having sustaining memberships in the state association were turned over to the officers and directors for study.

"Temper-trying" brokerage questions are promptly answered by *Who Writes What?* Order from NATIONAL UNDERWRITER.

Estate Marital Deduction May Lose Its Value by Boosting Widow's Income Tax

The use of the marital deduction may be costly in many cases because it may mean loss of possible annual income tax savings on property left by the decedent which are far more important than the non-recurring estate tax saving. Henry Blumberg, Chicago lawyer, brought out at the recent joint conference of the Hobbs and Lustgarten Chicago agencies of Equitable Society.

This is of particular importance in cases where the general estate contains property which returns a high income. In one example Mr. Blumberg showed how the saving from the marital deduction would be nullified completely if the widow survived her husband by as little as two years.

Mr. Blumberg pointed out that one of the most important tax saving devices used in the drafting of testamentary trusts has been the inclusion of a provision authorizing the trustees either to distribute part or all of the income, or accumulate it. By creating separate trusts for the wife and children the income can be spread among a number of taxable units reporting in the lower brackets. However, where the marital deduction is taken, no income taxes can be saved on the property that is subject to the deduction, for the surviving spouse must report the income on such property.

The hypothetical case described by Mr. Blumberg was that of an uninsurable husband with a general estate having the value of \$500,000 with little or

Mutual Trust to Microfilm Records

Mutual Trust Life is launching an extensive program involving use of microfilm as a means of saving space occupied by records of transactions long since completed, as a way of providing safekeeping for operating records that might be destroyed accidentally, and eventually as a means of simplifying certain office procedures. The company microfilm program is under the direction of a special committee consisting of Harry C. Irons, assistant secretary, chairman; Delmar Olson, assistant vice-president and assistant counsel; and V. E. McLaughlin, manager of the policy service division.

Equipment includes an automatic reversing device so that both sides of a document may be photographed, if necessary, without needless handling. Film used is 16 mm. A standard file drawer containing approximately 3,000 items can be recorded on a single 100 foot roll of microfilm not much larger than a typewriter ribbon, resulting in a space saving of about 98%.

Will Save Much Storage Space

Mutual Trust believes that use of microfilm will not only result in a substantial saving in storage space, but will also obviate the necessity of referring to old records in its inconveniently located storage warehouse. Each roll of film will carry a reproduction of a certificate stating that the microfilming is being done as a part of a regular program authorized by the board of directors. It is contemplated that Mutual Trust will set up a duplicate set of films reproducing important operating records at a supplementary storage area several hundred miles away from its home office at Chicago as a safeguard against destruction of original records through loss, fire or possible bombing in event of war.

Mr. Olson is currently serving as a member of a three-man institutional sub-committee of the joint legislative committee of the Life Insurance Assn. of America and the American Life Convention which has been studying the problem of photographic reproduction of business records as legal evidence.

be \$7,000 annually, so that the income tax savings in a little more than two years would exceed the net estate tax marital deduction savings.

Mr. Blumberg pointed out that if there were three children and separate trusts for each child were created by the will, with discretion in the trustees to distribute or accumulate income, the income tax savings annually would be substantially higher. He emphasized that the power to accumulate or distribute income creates two separate taxing units for each trust so that where separate trusts are set up for a wife and each of three children the income can be divided among eight separate taxing units before beneficiaries and before separate trusts. The \$15,000 estate tax saving could practically be equalled in a single year through this device and the use of the \$70,000 estate tax saved on the husband's death becomes relatively unimportant.

Cummings President of S.M.U. Marketing Institute

O. Sam Cummings, Texas manager of Kansas City Life, has been elected president of the institute of insurance marketing of Southern Methodist University. He succeeds S. J. Hay, president of Great National Life. Joe Woodward, Southland Life is vice-president; A. R. Jaqua, vice-president and director of the institute, and Robert M. White, Jefferson Standard, secretary.

Dr. Nay Medical Head

Indianapolis Life has appointed Dr. Richard N. Nay as medical director.

Dr. Nay is a graduate of Indiana University school of medicine and a member of the faculty. He spent three years as a fellow at Mayo Foundation, Rochester, served as a member of the army medical corps, and has been engaged in the practice of internal medicine at Indianapolis.

R. A. Burns Is Promoted

Reginald A. Burns has been appointed assistant manager of the life claim department of Travelers at the head office. He started in the Travelers' claim department in 1929 after graduating from Holy Cross. Then for 12 years he was connected with the Worcester branch, and in 1942 returned to the home office as examiner in the life claim department.

Campbell, Smith Promoted

Phoenix Mutual has named H. S. Campbell as counsel, and R. P. Smith as assistant counsel. Mr. Campbell has been with the legal department since 1933, Mr. Smith since 1936.

Advance Limit \$25,000

The maximum amount of discounted premiums Lamar Life will accept from any one person has been increased to \$25,000 from the former \$5,000.00 maximum.

Change Dividend Method

Dividends which accumulate until final settlement of the certificate instead of being paid in cash were announced by New England Order of Mutual Protection, Boston. This method increases the amount of the certificate over a number of years.

DeWitt T. McGraw, newly appointed director of sales promotion, Acacia Mutual Life, was married last week in Washington, D. C., to Mrs. Adeline Kuhn of Washington, a former Acacia employe but more recently in government service. The ceremony was performed at the Lutheran Church of the Reformation. S. E. Mooers, Acacia field vice-president, was best man. At the reception later President Montgomery of Acacia and other officials and employes attended.

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Record Crowd at L.I.A.M.A. Rally

(CONTINUED FROM PAGE 1)

L.I.A.M.A. were Olen Anderson, vice-president of John Hancock Mutual; Guilford Dudley, vice-president of Life & Casualty; Russell Wood, assistant general manager of Imperial Life of Canada, and Clyde Summerhays, superintendent of agencies of Beneficial Life.

In his report as L.I.A.M.A. president, Dudley Dowell, vice-president New York Life, the opening speaker, said that the greatest danger the agency officer faces today is not so much that he will lose touch with the field but rather the greater danger lies in those pressures of his home office duties which so occupy him and exhaust his energies that he either loses entirely or fails to have time to use that delicate sixth sense which enables him to see trends, to anticipate problems and to act correctly in advance of their occurrence.

The agency officer without patience, said Mr. Dowell, can be hopelessly bogged down in the swamps of frustration. Large corporations and all life companies are large by contrast with other businesses, do not and obviously cannot make a habit of moving too quickly. The agency officer was seasoned in an atmosphere that called for rapid decision and immediate action. Therefore, any transitions to this more deliberate tempo obviously can at times be rather exasperating to one who has come up through the field, Mr. Dowell observed. He said that the challenge to those in agency management is both stupendous and unlimited, and the future offers "a challenge to our courage, to our enterprise, to our energy, to our intelligence, and above all to our imagination in working out the problems of tomorrow."

Besides Mr. Parkinson and Mr. Dowell, Managing Director John M. Holcombe, Jr., gave his annual report, which is summarized elsewhere in this issue.

Bill Dewey Is Honored

A feature of the morning meeting was the election of President W. M. Dewey of the Edgewater Beach hotel, where the meeting was held, as an honorary life member of L.I.A.M.A. Since the hotel was recently sold and Mr. Dewey is retiring from active management, this the last meeting at which Mr. Dewey will be host to L.I.A.M.A.

With Mr. Holcombe presiding, the Wednesday afternoon session was taken up with reports of the association staff.

Thursday morning there were talks by John O. Todd, general agent Northwestern Mutual, Chicago; W. Rankin Furey, vice-president Berkshire Life; and H. Bruce Palmer, vice-president Mutual Benefit Life.

Nathaniel Leverane, chairman Automatic Canteen Co., Chicago, was the luncheon speaker. That afternoon, with Associate Managing Director Charles J. Zimmerman presiding, the institutional forum took place, a prominent feature of which was the discussion of social security as it affects life insurance agents.

The meeting will conclude Friday at the end of the morning session but in the afternoon there will be a very complete program for companies writing A. & H. and ordinary insurance.

Margaret Divver John Hancock "Ad" Manager

BOSTON — Margaret Divver has been named advertising manager of John Hancock Mutual Life. She has been associate advertising manager since 1942.

Leavitt Howard, who has been with the advertising department since 1940, with the exception of army service, becomes assistant advertising manager.

These appointments follow reorganization of the advertising work with a view to the increasing importance of house organ activities. A separate department

for the production of these publications has been established under the direction of James A. Peirce, manager of the bureau of publications.

Life Men Discuss Office Management Research

NEW YORK — The research approach to management planning is being used more today to meet the needs of larger, more competitive, more complex, and more highly specialized and organized business units, H. A. Finley, manager of management research of Metropolitan Life, stated at the conference on office management of the American Management Assn. here. Management has organized its search for information, is using more of it and recognizes that the type of information sought must permit a longer look ahead, he said.

Louis R. Menagh, Jr., vice-president and comptroller of Prudential, reviewed that company's system of budgetary and staff control. The time studies at Prudential might sound complicated to those familiar with such studies elsewhere, he said, but they reflect dissimilar transactions from department to department. The system has operated successfully for 10 years. Each section sets its own performance standard, which is preferable to use of an arbitrary standard, he said.

Selection Exams Scheduled

The joint examination committee of the Home Office Life Underwriters Assn. and the Institute of Home Office Underwriters has announced its plan for holding an examination on underwriting. The examinations will consist of two or three hours each. Both may be taken in one year or either part may be taken in any year. Credit for one part passed will be carried over while the candidate attempts to complete the other part.

Part 1 of the 1949 examinations will be held 9 a.m. to 12, Friday, May 6, 1949, and part 2, 2 to 5 p.m., Friday, May 6, 1949. They will be given at the same time and places as the examinations of the Life Office Management Institute, except for those candidates not convenient to such examination centers, when arrangements will be made to hold examinations in a convenient city.

Pearce Shepherd, Prudential, is chairman of the joint committee.

Founders Names Curtin

Founders Fire & Marine has appointed John D. Curtin assistant manager of the group department.

Mr. Curtin, who attended Boston University previous to service in the marine corps, was formerly with John Hancock Mutual Life's group department in Los Angeles and Detroit.

P. E. Gardner with K. C. Life

Kansas City Life has appointed Paul E. Gardner as assistant state supervisor for Missouri. Before becoming a life insurance agent 12 years ago he was a practicing chiropractor, having graduated in 1929 from Western College of Chiropractic.

W. Va. Rally Nov. 12-13

The state conference of West Virginia Assn. of Life Underwriters will be held at Parkersburg Nov. 12-13. Ross Davis, New York Life, Wheeling, is state president.

James E. Rutherford, executive vice-president of N.A.L.U. will be in charge.

Largest Class Leaves S.M.U.

The 66 men and one woman who have just completed the basic course at the Southern Methodist marketing institute comprise the largest class ever. They will return March 7 after spending time in the field. The seventh intermediate course has begun with 39 enrolled. Those in it have written \$2,752,000 since last at S.M.U.

READER WRITES:

Must Extend Group to Small Firms or UCD Laws Certain

THE NATIONAL UNDERWRITER has received the following letter from Ralph L. Hermann, district manager for Penn Mutual Life at Freeport, Ill.:

"Your editorial 'Compulsory Disability Not Inevitable' is well taken. However well it is stated, it still refers to the larger employers and the larger cities. Throughout the states are many small cities and villages with a preponderance of employers with a small number of employees that are less than the necessary number of employees to qualify for group or wholesale coverages. Likewise the coverages diminish when dropping from group to wholesale.

"In spite of what we as agents or the small employers can do, if the insurers do not drop their minimum qualifying requirements to at least five employees and give us good and equal coverages and rates, we will surely have compulsory state legislation. It is time that the insurers do something about it. The majority of private enterprises (and the small ones are in the majority) have no alternative but to accept the legislation. 'Little Business' is getting the squeeze from all sides, and the great insurance industry is doing its bit most definitely.

"A legislator that has his constituents' social interests at heart does not have to be a leftist to quickly see and justly argue for such compulsory legislation. Why does the great insurance industry stand by, time after time, and see these needs and developments and allow such legislation to be enacted and then, after the house is burning, get all excited and do a lot of talking and not much else? Why should they not take the lead? Preventive maintenance is always best."

Dean's Son Wins Game

The Philadelphia Inquirer recently ran a story about young David McCahan, Jr., son of Dean David McCahan of American College. The six-foot-one, 160 pound youth hit the headlines after he won a football game for Penn freshman over Columbia U, by kicking the point after touchdown with his "educated toe."

For 17 years young David has worn a built up shoe as a result of a withered right leg contracted from infantile paralysis. A year ago he broke the Delaware County extra point record by booting 24, one more than the long standing mark. Included in that were 10 in a row, the newspaper story pointed out. His father is a former football player as well, and has been a professor of insurance for over two decades.

Republic National Life has appointed R. W. Treimer as securities analyst. He has been with the brokerage firm of A. M. Kidder & Co., New York City, as research department manager. Graduating from the University of Iowa in 1932, he was with Equitable Life of Iowa for four years.

Joseph M. Dodge, Detroit banker and immediate past president of the American Bankers Assn., has been elected a trustee of Equitable Life of Iowa.

"Life Insurance Programs Tailored to Individual Requirements" was the subject of a panel discussion at a dinner meeting of Indianapolis C.L.U. Discussion leaders were Dan A. Kaufman, Northwestern Mutual; James E. Bettis, Berkshire; and Archie E. Koon, Equitable Society, Bloomington.

Miss Katie Mitchell, secretary to Lloyd D. Lininger, supreme secretary of Protected Home Circle, Sharon, Pa., was honored at a luncheon upon 30 years' service with the society. The board was host. She was presented gifts

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HOW TO LEAD A HAPPY, USEFUL LIFE WITH DIABETES

Diabetes results from the body's failure to make proper use of sugars and starches. This occurs when something goes wrong with the system's natural supply of insulin.

Starting with the development of prepared insulin 27 years ago, medical science has made many advances in treating and controlling diabetes. There is now hope that the use of radioactive "tracers" and other research will contribute to a greater understanding of this disease.



1. Today, by utilizing current medical knowledge through close co-operation with the doctor, the average diabetic may look forward to living a happy, useful life.



2. Prepared insulin is sometimes used when the diabetic does not produce enough for his needs. New, slower-acting insulins make possible more accurate control of diabetes.



3. Diet determines the amount of sugar and starch taken into the body. In some cases, by balancing diet and exercise, diabetes can be controlled without added insulin.



4. Exercise helps keep blood sugar at a safe level by using up sugars and starches. Many diabetics, by following their doctor's advice are able to continue their favorite sports.

Early discovery helps control diabetes

A survey by the Public Health Service indicates that for every four persons known to have diabetes, there may be three others who have the disease without knowing it.

Since early diabetes has no obvious symptoms, discovery may come only when a doctor makes a urinalysis, and then if necessary, a blood sugar test.

These tests are important for those people who are most likely to get diabetes—those with a family history of the disease, and those who are overweight and past 40, particularly women. Everyone, however,

should try to keep his weight down, and to have a regular medical examination which includes a check-up for diabetes.

If diabetes is discovered, it is reassuring to note that with good medical supervision, the average diabetic is living much longer. At age 40, for example, his life expectancy is now more than twice what it was before insulin was discovered in 1921.

To learn more helpful facts about this disease, send for your free copy of Metropolitan's booklet, "Diabetes."

TO VETERANS—IF YOU HAVE NATIONAL SERVICE LIFE INSURANCE—KEEP IT!

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(A MUTUAL COMPANY)

1 MADISON AVE., NEW YORK 10, N. Y.



THIS advertisement is one of a continuing series sponsored by Metropolitan in the interest of our national health and welfare. It is appearing in two colors in magazines with a total circulation in excess of 34,000,000 including Saturday Evening Post, Collier's, Ladies' Home Journal, Time, Newsweek, Good Housekeeping, Cosmopolitan, McCall's, American Magazine, Woman's Home Companion, National Geographic, Parents', and Redbook.

"He thought he had plenty of time . . .

"He had a snug little business — 50-odd people, mostly substantial family men. Guess most of them will have to pull up stakes now . . . and his widow won't realize much from a forced liquidation. If only he'd set up a business insurance plan like old E. V. whose widow received full value for his interest, and, incidentally E. V.'s associates are running the business as smoothly as ever."

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Next time you feel like giving up on a difficult prospect, remember that tomorrow may be too late. The twin rewards of a life insurance career — a steadily growing income and a sense of personal pride — are realized only through persistence in the face of procrastination.



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